Semi-Annual Budget Monitoring Report

Financial Year 2018/19

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ABBREVIATIONS AND ACRONYMS

AAS	Atomic Absorption Spectroscopy
AC	Asphalt Concrete
ACE	Area Cooperative Enterprise
ACF	Agriculture Credit Facility
AEG	Agricultural Extension Grant
AFD	French Agency for Development
AfDB	African Development Bank
AIA	Appropriations in Aid
AIDS	Acquired Immune Deficiency Syndrome
AIMS	Academic Information Management System
APF	Agro Processing Facility
APL	Adaptable Programme Lending
ASAP	Adaptation for small holder Agricultural Program
ASM	Artisanal and Small Scale Miners
BADEA	Arab Bank for Economic Development in Africa
BFP	Budget Framework Paper
BIRDC	Banana Industrial Research & Development Centre
BMAU	Budget Monitoring and Accountability Unit
BMZ	German Federal Ministry of Economic cooperation and Development
Bn	Billion
BoQs	Bills of Quantities
BoU	Bank of Uganda
BPED	Budget Policy and Evaluation Department
BPO	Business Process Outsourcing
BTVET	Business, Technical, Vocational Educational and Training
CAIIP	Community Agriculture & Infrastructure Improvement Programme
CAO	Chief Administrative Officer
CARs	Community Access Roads
CDAP	Community Development Action Plan
CDO	Cotton Development Organisation
CERT	Computer Emergency Response Team
CF	Community Facilitator
CFI	Certificate of Financial Implication
CFO	Chief Finance Officer
CGS	Competitive Grant Scheme
CGV	Chief Government Valuer
CI	Credit Institution
CNC	Computer Numerical Control
CNOOC	Chinese National Offshore Oil Company
CPU	Community Processing Unit
CWE	China International Waters and Electric Corporation
D/CAO	Deputy Chief Administrative Officer
DBST	Double Bituminous Surface Treatment

DC	Data Centre
DDA	Dairy Development Authority
DDEG	Discretionary Development Equalisation Grant
DDEG	District Discretionary and Equalization Grant
DEO	District Education Officer
DGSM	Directorate of Geological Surveys and Mines
DIS	District Inspector of Schools
DLG	District Local Government
DNS	Domain Name Server
DP	Directorate of Petroleum
DSC	District Service Commission
DUCAR	District, Urban and Community Access Roads
E&P	Exploration and Production
EA	Exploration Area
EAC	East African Community
EARO	East African Research Organization
EARSO	East African Research Organization
EATTFP	East African Trade Transport Facilitation Project
EDF	European Development Fund
EDI	Enterprise Development Investment
EEI	Enterprise Expansion Investment
E-GP	Electronic Government Procurement
E-GP	Electronic Government Procurement
EIA	Environmental Impact Assessment
EIPL	Energy Infratech Private Limited
EOC	Equal Opportunities Commission
EOI	Expression of Interest
EPC	Engineering Procurement and Construction
EPCC	Engineering Procurement Construction Contractor
ERP	Enterprise Resource Planning
ERT	Energy for Rural Transformation
ESA	Enterprise Security Architecture
ESC	Education Service Commission
ESDP	Electricity Sector Development Project
ESMP	Environmental and Social Management Plans
ETA	Electronic Transactions Act
EU	European Union
EVMG	Electronic Voucher Management Agency
EXIM	Export Import
FAO	Food and Agricultural Organisation
FEED	Front End Engineering Design
FGDs	Focus Group Discussions
FIA	Financial Intelligence Authority
FID	Final Investment Decision
FY	Financial Year
GASf	Geological Society of Africa

GB	Giga Byte
GCIC	Government Citizens Interaction Centre
GIS	Geographical Information System
GIZ	German International Cooperation
GoU	Government of Uganda
GRC	Grievance Redress Committees
Ha	Hectare
HESFB	Higher Education Students Financing Board
HEST	Higher Education, Science and Technology
HIV	Human Immune Virus
HMIS	Health Information Management System
HPP	Hydro Power Project
HQCF	High Quality Cassava Flour
HR	Human Resource
HSE	Health Safety and Environment
HV	High Voltage
IAC	Information Access Centre
ICT	Information, Communications Technology
ICTAU	Information Communications Technology Association of Uganda
IDA	International Development Agency
IDB	Islamic Development Bank
IDPs	Internally Displaced People
IFAD	International Fund for Agricultural Development
IFMS	Integrated Financial Management System
IG	Inspectorate of Government
IgFTR	Intergovernmental Fiscal Transfer Reforms
IMG	Instructional Material Grant
IPC	Interim Payment Certificate
IPC	Interim Payment Certificate
IPF	Indicative Planning Figure
IPPS	Integrated Payroll and Pension System
IPPS	Integrated Personnel and Payroll System
ISFD	Islamic Solidarity Fund for Development
ISO	International Standards Organisation
ISSIS	Electronic Integrated School Inspection
ITEK	Institute of Teacher Education Kyambogo
ITES	Information Technology Enabled Services
JAB	Joint Admission Board
JICA	Japan International Cooperation Agency
JKIST	John Kale Institute of Science and Technology
JLOS	Justice, Law and Order Sector
JOGMEC	Japan Oil, Gas and Metals National Corporation
JPY	Japanese Yen
KCCA	Kampala Capital City Authority
KfW	German Financial Cooperation (KfW Bankengruppe)
Kg	Kilogram

KHPP	Karuma Hydro Power Project
KIBP	Kampala Industrial and Business Park
KIDP	Karamoja Integrated Development Programme
KIL	Kilembe Investment Limited
KIP	Karuma Interconnection Project
Km	Kilo Meter
KMC	Kiira Motors Corporation
KMS	Knowledge Management Systems
KOICA	Korean International Cooperation Agency
kV	kilo Volts
LG	Local Government
LGFC	Local Government Finance Commission
LGMSD	Local Government Management Service Delivery Programme
LLG	Lower Local Government
LRDP	Luwero Rwenzori Development Project
LV	Low Voltage
M&E	Monitoring and evaluation
MAAIF	Ministry of Agriculture, Animal Industries and Fisheries
MBPS	Mega Byte Per Second
MBSA	Master Business Services Agreement
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MDIs	Micro Deposit Taking Institutions
MEACA	Ministry of East African Community Affairs
MEMD	Ministry of Energy and Mineral Development
MFPED	Ministry of Finance, Planning and Economic Development
MGLSD	Ministry of Gender, Labour and Social Development
MHM	Menstrual Hygiene Management
MIT	Massachusetts Institute of Technology
MLA	Monitoring the Learning Achievements
MLHUD	Ministry of Lands, Housing and Urban Development
MMSC	Machining and Skilling Centre
MoD	Ministry of Defence and Veterans Affairs
MoES	Ministry of Education and Sports
MoES	Ministry of Education and Sports
MOH	Ministry of Health
MoICT	Ministry of Information and Communications Technology
MoICT&NG	Ministry of Information, Communications Technology and National Guidance
MoJCA	Ministry of Justice and Constitutional Affairs
MoLG -	Ministry of Local Government
MoLG	Ministry of Local Government
MoLG	Ministry of Local Government
MoPS	Ministry of Public Service
MoSTI	Ministry of Science, Technology and Innovation
MoTIC	Ministry of Trade, Industry and Cooperatives
MoU	Memorandum of Understanding

MoWE	Ministry of Water and Environment
MoWT	Ministry of Works and Transport
MPA	Millennium Promise Alliance
MPS	Ministerial Policy Statements
MSP	Market stakeholder Platforms
MT	Metric Tonne
MTAC	Management and Advisory Centre Institute
MTEF	Medium Term Expenditure Framework
MUBS	Makerere University Business School
MUST	Mbarara University of Science and Technology
MV	Medium Voltage
MW	Mega Watts
MWMID	Mineral Wealth and Mining Infrastructure Development
NAADS	National Agricultural Advisory Services Secretariat
NAEP	National Agricultural Extension Policy
NAGRC&DB	National Animal Genetic Resources Centre and Data Bank
NARC	National Archives Records Centre
NARO	National Agriculture Research Organization
NBI	National Backbone Infrastructure
NCDC	National Curriculum Development Centre
NCHE	National Centre for Higher Education
NDP II	National Development Plan II
NEC	National Enterprise Corporation
NECOC	National Emergency Coordination and Operations Centre
NELSAP	Nile Equatorial Lakes Subsidiary Action Programme
NEMA	National Environment Management Authority
NHATC	National High Altitude Training Centre
NISF	National Information Security Framework
NITA-U	National Information and Technology Authority
NLI	National Leadership Institute
NOC	Network Operating Centre
NOC	National Oil Company
NOGP	National Oil and Gas Policy
NPA	National Planning Authority
NRC/R	National Road Construction/Rehabilitation Programme
NRMP	National Roads Maintenance Programme
NTC	National Teachers College
NTEISP	National Science, Technology Engineering and Innovation Skills Enhancement Project
NTR	Non Tax Revenue
NUYDC	National Uganda Youth Development Centre
NWSC	National Water and Sewerage Corporation
OAG	Office of the Auditor General
OAG	Office of the Accountant General
OAGS	Organization of the African Geological Surveys
OE	Owner's Engineer

OFC	Optic Fiber Cable
OFID	OPEC Fund for International Development
OPD	Out Patient Department
OPEC	Organization of Petroleum Exporting Countries
OPGW	Optical Ground Wire
OPM	Office of the Prime Minister
OSBP	One Stop Border Post
OWC	Operation Wealth Creation
PAD	Project Appraisal Document
PAPs	Project Affected Persons
PAR	Portfolio at Risk
PAU	Petroleum Authority of Uganda
PBB	Programme Based Budgeting
PBS	Programme Based Budgeting System
PCR	Pupil Classroom Ratio
PDHs	Physically Displaced Households
PDR	Pupil Desk Ratio
PEPD	Petroleum Exploration and Production Department
PES	Physical Education and Sports
PFI	Participating Financial Institution
PFMA	Public Financial Management Act
PFT	Project Facilitation Team
PGM	Platinum Group Minerals
PHC	Primary Health care
PHRO	Principal Human Resource Officer
PIBID	Presidential Initiative on Banana Industrial Development
PIP	Public Investment Plan
PLwDs	Persons Living with Disabilities
PMC	Project Management Consultant
PMG	Production and Marketing Grant
PMU	Programme Implementation Unit
PPDA	Public Procurement and Disposal of Assets
PPDA	Public Procurement and Disposal of Public Assets Authority/Act
PPP	Public Private Partnership
PRDP	Peace Recovery and Development Programme
PRELNOR	Project for the Restoration of Livelihoods in Northern Uganda Region
PSA	Production Sharing Agreements
PSC	Public Service Commission
PSM	Public Sector Management
PSR	Pupil- Stance Ratio
PTA	Parent- Teacher Association
PTR	Pupil Teacher Ratio
PTR	Pupil Text book Ratio
PWD	Person with Disability
Q	Quarter
Q1	Quarter one

Q2	Quarter Two
Q3	Quarter Three
Q4	Quarter Four
R&D	Research and Development
RAP	Resettlement Action Plan
RCIP	Regional Communication Infrastructure Programme
RDP	Refinery Development Program
REA	Rural Electrification Agency
REA	Rural Electrification Agency
RFS	Rural Financial Services
RIDP	Rural Industrial Development Programme
RMSP	Rural Microfinance Support Project
ROW	Right of Way
S/C	Sub-County
SACCO	Savings and credit Cooperative Societies
SDR	Special Drawing Rights
SEAMIC	Southern and Eastern Africa Mineral Center
SESEMAT	Secondary Science Education and Mathematics Teachers
SFD	Saudi Fund for Development
SFG	School Facilities Grant
SLA	Service Level Agreement
SMCs	School Management Committees
SMEs	Small and Medium Enterprises
SNE	Special Needs Education
SOFTE	Soroti Fruit Factory
SPEDA	Skills for Production, Employment and Development Project
SPV	Special Purpose Vehicle
ST&I	Science, Technology and Innovation
TC	Town Council
T/I	Technical Institute
TA	Technical Assistance
TEFCU	Teso Farmers' Cooperative Union
TMEA	TradeMark Mark East Africa
ToR	Terms of Reference
ToTs	Trainer of Trainees
TSA	Treasury Single Account
TVET	Technical Vocational Education and Training
UBC	Uganda Broadcasting Corporation
UCC	Uganda Communications Commission
UCDA	Uganda Coffee Development Authority
UCSCU	Uganda Cooperative Savings and Credit Union
UDC	Uganda Development Corporation
UEDCL	Uganda Electricity Distribution Company Limited
UEGCL	Uganda Electricity Generation Company Limited
UETCL	Uganda Electricity Transmission Company Limited
Ug shs	Uganda Shillings

UGCEA	Uganda Ginners and Cotton Exports Association
UGIFT	The Uganda Inter-governmental Fiscal Transfer Program
Ug shs	Uganda shillings
UICT	Uganda Institute of Information Communication Technology
UIRI	Uganda Industrial Research Institute
UK	United Kingdom
UMC	Uganda Media Centre
UMCS	Unified Messaging Collaboration System
UMMDAP	Urban Markets Marketing Development of the Agricultural Project
UNBS	Uganda National Bureau of Standards
UNCST	Uganda National Council for Science and Technology
UNEB	Uganda National Examination Board
UNISE	Uganda National Institute for Special Needs Education
UNOC	Uganda National Oil Company
UNRA	Uganda National Road Authority
UPDF	Uganda People's Defense Forces
UPE	Universal Primary Education
UPIK	Uganda Petroleum Institute Kigumba
UPK	Uganda Polytechnic- Kyambogo
UPL	Uganda Posts Limited
UPOLET	Universal Post 'O' Level Education and Training
UPPET	Universal Post Primary Education and Training
URA	Uganda Revenue Authority
URC/RVR	Uganda Railway Corporation/ Rift Valley Railways
URF	Uganda Road Fund
URRU	Urban Roads Resealing Unit
US$	United States Dollars
USADF	United States African Development Foundation
USD	United States Dollars
USE	Universal Secondary Education
USMID	Uganda Support to Municipal Infrastructure Development
UTC	Uganda Technical College
UTSEP	Uganda Teacher and School Effectiveness Project
UVQF	Uganda Vocational Qualification Framework
VACIS	Violation against Children in Schools
VAT	Value Added Tax
VC	Vice Chancellor
VF	Vote Function
WHT	With Holding Tax
Wi-Fi	Wireless (Internet) Networking
Wi-Fi	Wireless(Internet)
ZARDI	Zonal Agricultural Research Development Institutes

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 reviews selected key Vote Functions and Programmes within the sectors, based on approved plans and significance of budget allocations to the Votes. The focus is on 10 sectors/sub-sectors, including: Accountability, Agriculture, Education and Sports, Energy, Health, Industrialization, Information and Communications Technology (ICT), Public Sector Management (PSM), Roads, and Science, Technology and Innovation. In addition, some aspects under the Ministry of Finance, Planning and Economic Development (MFPED) are reviewed. Attention is on large expenditure programmes with preference given to development expenditure, except in the cases of Agriculture, Education, Health, ICT, PSM and road maintenance, where some recurrent costs are tracked.

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

FINDINGS

Overall Financial Performance

Half Year Financial Performance of Government of Uganda Budget FY 2018/19

The overall Government of Uganda (GoU) approved budget for the FY2018/19 was Ug shs 32,702 trillion including external financing, appropriation in aid (AIA), arrears and debt. The budget was revised to Ug shs 33.721 trillion on account of a supplementary budget of Ug shs 1.016 billion.

The GoU approved budget excluding external financing, AIA and arrears is Ug shs 23.904 trillion of which, the allocation to Ministries, Departments, Agencies and Local Governments (MDA and LGs) excluding debt and AIA was Ug shs 14.818 trillion (46% of the GOU approved budget) and was revised to Ug shs 15.564 trillion (46% of the revised budget).

The GoU release performance to the MDALGs as at 31st December 2018 was Ug shs 8.821 trillion (60%) of the approved allocated budget to MDALGs (Ug 14,817trillion), of which 79% (Ug shs 6.955trillion) was absorbed by 31st December 2018.

Further analysis focused on performance of the 10 priority sectors of; Accountability, Agriculture, Education, Energy, Health and Information & Communication Technology. Others include Trade and Industry, Public Sector Management, Water and Environment, and Works and Transport.

Sector Performance

The approved budgets of 70% of the priority sectors were revised as at 31st December, 2018. The sectors with revised budgets included; Accountability, Education, Energy, Health, PSM, Works and Transport, and Trade and Industry.

The development budget for the Energy Sector experienced the highest revision in value of Ug shs 62.769billion (11% of sector development budget). The revision was in respect of Vote 17 Ministry of Energy and Mineral Development (MEMD)- Project 1428 Energy for Rural Transformation Phase III (ERT III), and Project 1143 Isimba hydropower for completion of other structures and Project 1355 Strengthening the Development and Production Phases of Oil and Gas Sector for purchase of machinery and equipment (Ug shs 17billion).

The Trade and Industry sector experienced the highest percentage budget release of 74% (Ug shs 91.806billion) and registered the highest absorption of 94% (Ug shs 86.508billion).

Other sectors with very good absorption performance included; Water and Environment at 94% (Ug shs 242billion), Works and Transport at 92% (Ug shs 1.553billion), and Local Governments (LGs) at 100%.

Although the sector releases were as planned i.e 50% wage, 56% non-wage and 60% development, the absorptions were less than 100%, pointing to inefficiencies in operations for example, unsettled salaries under wages are indicative of delayed recruitments and failure in accessing the payroll.

The least release performance was registered under Accountability Sector at 55% (Ug shs 512.24billion), and poor absorption registered under ICT Sector at 34% (Ug shs 13.543billion).

Key Challenges

i) The MDA and LGs continue to exhibit challenges in the form of poor planning and allocation of funds under both development and recurrent budgets, this is deduced from the rate of absorption of funds, under for example wages, for the half year performance 47% expenditure was achieved under PSM (from the expected 100%).

ii) The supplementary budget of 11% (Ug shs 62.769billion) of the development budget under the Energy and Mineral Development Sector and Ug shs 17.473billion under the vote 008MFPED points to funds allocation challenges. These were foreseeable as they were in respect of resettlement of persons and non-residential buildings respectively.

Recommendations

i) The MFPED Budget Directorate should strengthen the analysis of sector budget submissions (Budget Framework Papers, and budgets) to eliminate any lapses in budget estimates and allocations made.

ii) The MFPED Budget Directorate, Tax Policy Department and Uganda Revenue Authority (URA) should step up efforts to monitor revenue performance with the aim of improving revenue collections, and enhancing budget allocations.

iii) The MFPED Budget Directorate should reject sector plans that are not aligned to the second National Development Plan (NDP II) to address some of the funding pressures that lead to supplementary budgets.

Overall Physical Performance

The overall semi-annual performance was fair at 65.48, with most sectors achieving between 60%-79% of their output targets. The Education and Sports Sector with 79.4% was the best performing. It registered a number of achievements under infrastructure development, provision of instructional materials, capacity building of teachers and curriculum development. Health Sector had the worst performance at 45%, attributable to late initiation of procurement and low financial capacity of contractors.

Across the sectors, good performance was attributed to timely release of funds by MFPED to Votes, while it was noted that service delivery was hampered by continued difficulty in acquisition of Right of Way (RoW) for infrastructure projects, delayed procurement, poor planning, low staffing levels across MDAs and LGs, and poor allocative efficiency

Accountability

The overall physical performance[1] of the Accountability Sector by half year FY 2018/19 was good (77.6%). The overall sector release was 52% of the approved budget and expenditure at 84% of the release. The physical performance was relatively matched with the financial performance.

The best performing vote in terms of delivery of planned outputs was Vote 141 Uganda Revenue Authority (URA), followed by Vote 008 Ministry of Finance, Planning and Economic Development (MFPED)-Budget Execution and Reporting Programme. The URA achieved 93% and attained high performance for the outputs, including tax awareness engagements, and maintenance of systems to support tax collection-disaster recovery interventions. This was partly attributed to increased automation of processes and installation of cargo scanners at the border stations.

The MFPED the Programme Budgeting System (PBS) enhanced the planning, budgeting and reporting in 100% of the votes, although the system is unavailable in a number of instances, affecting timely submissions of reports.

Good performance of 71.9% was also recorded under the Public Procurement and Disposal of Public Assets (PPDA) - regulation of procurement and disposal system, as means of continuous improvement of procuring entities, the PPDA conducted compliance inspections and audits 65% of the entities. Support supervision was intensified for the local government entities that resulted into recruitment of staff in the procurement and disposal units.

The MicroFinance Support Centre (MSC) mobilized resources worth Ug shs 26.6billion and disbursed Ug shs 19.081billion to clients, although the gross portfolio outstanding slightly declined to Ug shs 86.2billion from Ug shs 91.5billion at end of FY 2017/18. The MSC issued loans at interest rates of 12%-17%, which enabled access to affordable/cheaper financing which is less than the 23% prevailing commercial rates

[1] Based on 7 programmes/projects from three votes;008 MFPED, 141 URA,153 PPDA

Implementation challenges

i) Some of the outcome indicators on the PBS are unrealistic, as such they cannot be attributed to given outcomes, which will result in misreporting on the system.
ii) Poor internet connectivity affects the constant availability and use of e-platform services such as the PBS, e-tax portal, Integrated Financial Management System (IFMS) and e-government procurement.
iii) Inadequate training and awareness initiatives for programmes and innovations rolled out by the institutions in the Accountability Sector for example training on; PBS, e-tax platforms, and awareness of available financial products at the MSC.
iv) Limited integration of systems and sharing of data for service delivery purposes, for example procurement suppliers in entities. are they compliant for tax purposes (personal and company tax).

Recommendations

i) The MFPED together with the National Planning Authority (NPA), Uganda Bureau of Statistics (UBOS) and Office of Prime Minister (OPM) should improve the outcome indicators and also link the output indicators to the outcomes.
ii) The National Information and Technology Authority-Uganda (NITA-U) and Ministry of Information and Communications Technology (MoICT) should work together to expedite provision of stable internet services to support the e-services offered by MDA&LGs.
iii) The NITA-U should facilitate the sharing and tracking of information between government E-Systems, for example a quick verification of tax clearance certificates in support of applications to supply government services under PPDA should be enabled.
iv) The sector institutions MFPED, MSC, PPDA, and URA should prioritize training and awareness initiatives to support the roll out of innovations developed.

Agriculture

The approved budget for the Agriculture Sector for FY 2018/19 excluding arrears and Appropriation in Aid (AIA) is Ug shs 684.825 billion, of which Ug shs 420.569 billion (61.41%) was released and Ug shs 303.718 billion (72.22%) spent by 31st December 2018. Whereas releases from Ministry of Finance, Planning and Economic Development (MFPED) to Ministries, Departments and Agencies (MDAs) were generally timely, the pace of disbursements from sector institutions to spending departments was very slow. Front loaded funds were not spent indicating poor cash forecasting by MFPED and sectors in relation to the absorption capacity in MDAs.

Highlights of sector performance

The overall semi-annual performance of the agricultural sector during FY 2018/19 was fair rated at 61.80% The sector delivered assorted strategic inputs and value addition equipment to farmers and farmers' groups; set up demonstration sites; increased availability and accessibility to extension farmers; established water for production facilities within communities and undertook research and genetic development. The Bank of Uganda/MFPED, UCDA, LGs and CDO were the best performers, whereas the MAAIF and NARO were the worst performers by 31st December 2018.

There was increased adoption of improved farming practices by farmers countrywide due to improved access to extension services. The MAAIF excavated 113 community valley tanks, dams and ponds country wide, cleared 12,500 acres of bush, opened and improved 382km of farm access roads, ploughed and planted 8,500 acres of farm land and has trained 40 operators and technicians to sustain the intervention. Farmers accessed strategic inputs and equipment under the Agricultural Advisory Services Programme.

Performance was however constrained by low disbursement of funds to implementing agencies, slow procurements, low readiness in sector institutions to implement donor financed interventions, late submission of accountabilities, delayed distribution of inputs, drought and use of funds of FY 2018/19 to implement activities that spilled over from FY 2017/18.

Key Policy Issues

i) Flaunting of Public Financial Management (PFM) rules and regulations by agricultural sector accounting officers through accumulated arrears such as in UCDA; delayed approvals and warranting of funds; and diversion of funds such as in MAAIF.
ii) Poor performance of the NARO due to inadequate financing after the coming to the end of the donor project Agriculture Technology and Agribusiness Advisory Services (ATAAS) in FY 2017/18.
iii) Poor performance NAGRC&DB due to land wrangles, slow or none disbursement of funds from the Headquarters to the farms, and lack of breeding infrastructure and water for production.
iv) Poor accountability and duplication of activities under the two LG grants - Production and Marketing Grant (PMG) and Extension Grant.
v) The NAADS/OWC inputs were no longer sufficient to make a significant impact on production and household incomes and food security. Most districts received 2-3 commodities that were distributed to less than 10% of the farming communities. Some of the inputs were wasted due to late deliveries and inadequate mobilisation and preparation of benefiting farmers.
vi) Poor expenditure tracking and reporting in the sector, and especially for the LG grants. There was a general lack of credible data on the key performance indicators in the sector.

Recommendations

i) The MFPED should hold accountable all Accounting Officers at central and LG level to enforce the PFM regulations.
ii) The MFPED should provide bridge financing to sustain the research and breeding work that was ongoing under the ATAAS project, and identify additional sources of funding for the Agricultural Research Programme.
iii) The MFPED should enforce compliance of Accounting Officers and Heads or Departments to PFM regulations regarding timely disbursement and accountability of funds.
iv) The MFPED and MAAIF should merge the PMG and AEG into one grant for the production department in LGs.
v) The MAAIF and OWC Secretariat should review and restructure the NAADS/OWC to move away from distributing inputs to focusing funds on mechanisation and provision of value addition and agro-processing machinery and equipment.
vi) The MAAIF should collaborate with the Ministry of Lands, Housing and Urban Development, Uganda Land Commission, and Tribunals to resolve all outstanding land related conflicts in Government land for agricultural sector institutions, demarcate boundaries and title all the lands.
i) The MFPED and MAAIF should prioritise funding for conducting the Uganda Agricultural Census to produce credible data to aid planning in the sector.

Education and Sports

The Education and Sports Sector budget for FY 2018/19 inclusive of external financing, taxes, arrears and gratuity, is Ug shs 3,122.49 billion, of which Ug shs 1,609.19 billion (52%) was released and Ug shs 1,451.85 billion (90.2%) expended by 31st December 2018. Release and expenditure performance was very good. Whereas releases from the MFPED to the votes were generally timely, the pace of disbursements from Ministry of Education and Sports (MoES) to the spending programmes/departments was slow.

Performance

The overall sector performance in terms of output delivery was good (79.4%), as most of the half year targets for the recurrent sub-programmes were achieved. On the other hand, capital development registered low performance mainly due to delayed project start, and initiation of procurement process, and inadequate funding for the interventions.

At vote level, the best performing votes were; National Curriculum Development Centre (100%), Uganda Management Institute (95.63%), Mbarara University (90.71%), Makerere University Business School (89.6%), and Local Governments (88.6%) where most of the planned activities under the votes were being implemented by half year.

The worst performing votes were; Muni University (53.34%), Soroti University (57.84%) and MoES (59.2%). This was attributed to delayed release of development funds for Muni, delayed procurement processes for Soroti University, while for MoES, the projects delayed to start due to diversion of funds from the core activities to pay staff allowances, as well as delayed procurement processes.

Highlights of Sector Performance

Infrastructure Development: The sector continued to carry out construction, rehabilitation and expansion of learning facilities to improve access to education, and the learning environment.

By 31st December 2018, the Uganda Teacher and School Effectiveness Project (UTSEP) had completed a total of 233 classrooms in 36 schools, awaiting commissioning. Examples include; Kibibi C/U Primary School in Butambala District; Kawumulo P/S and Lubumba P/S in Mubende District; Ddegya LC1 P/S, Kiterede P/S and Nakakabala P/S in Kyankwanzi District; Kashanjure P/S, Ruhigana P/S and Rwanana P/S in Sheema District; and St. Joseph Bubinge P/S and Hiriga P/S in Butaleja District.

The overall progress of civil works under Development of Primary Teachers' Colleges (PTCs) Phase II project averaged at 70% across the PTCs of Jinja, Kitgum, Erepi, Bikungu, Ngora and Kabwangasi. All the facilities under construction at the various PTCs were either at roofing level, or were roofed. Under the Support to Skilling Uganda Project, progress of civil works across the institutions of UTC Kyema (Masindi), Kasese Youth Polytechnic (Kasese), St. Josephs Virika Vocational Training Institute-VTI (Fort portal), and St. Simon Peter VTI Millennium Business School (Hoima) averaged at 39.6%.

Under the Improvement of Muni and Kaliro National Teachers Colleges (NTCs) project, designs were completed and construction works started in November 2018. Overall physical progress was at 19% and disbursement rate at the end of 2018 was 18% for both Muni and Kaliro NTCs. On the other hand, the overall progress for Improvement of Secondary Teachers Education – Kabale and Mubende NTCs was 13% for Kabale, while works were ongoing at Mubende NTC, although they were slightly behind schedule.

Under the Sector Development Grant/Schools' Facilities Grant, LGs were at various stages of construction for the classrooms, latrines stances, teachers' houses and supply of furniture to primary schools. Of the 35 LGs monitored, three had completed construction of their planned facilities, 24 districts had civil works ongoing, three had awarded contracts and works had not started, three districts were at procurement stage, while two had not procured contractors. Implementation of planned activities in majority of the districts was on schedule and half year targets were achieved. However, implementation of the Uganda Governmental Inter Fiscal Transfer (UgIFT) project was behind schedule due to procurement delays.

Through the Delivery of Tertiary Education and Research Programme, a number of civil works across the public universities of Busitema, Lira, Mbarara, Kyambogo, Kabale, Makerere University Business School, and Uganda Management Institute were ongoing.

Provision of Instructional Materials: Under the Basic Education Sub-Programme, instructional materials for primary schools were procured and delivered to schools, specifically 220,296 copies of Social Studies textbooks, and 24,218 copies of accompanying teachers' guides.

Under the Skills Development Programme**,** Uganda Technical College (UTC) Kichwamba received tools and equipment, while the procurement process was ongoing for assorted tools at

Mbale Municipal Community Polytechnic, and UTC-Elgon received Ug shs 267million for tools and equipment.

Capacity building of teachers in the sector: A number of trainings were organized in a bid to build capacity of teachers under the different sub-sectors. Under the Directorate of Education Standards, 100 head teachers and deputies, 100 School Management Committees (SMCs) and 10 District Inspectors were trained on the Teachers Effectiveness and Learner Achievement System (TeLA).

Curriculum Development: Through the National Curriculum Development Center, the Early Childhood Development Parenting Education Framework for Uganda was finalized, the procurement process for the reviewed Nile English Book 6 was ongoing, and assessment guidelines for primary curriculum were completed. The teachers' resource book for supporting gifted and talented learners was developed, and while the resource book to support learners with autism was being developed.

Sector Implementation Challenges

i) Delayed procurement affected commencement of civil works. For instance, under the UgIFT project where government is constructing secondary schools in 242 sub-counties this FY, works had not started due to delays in the hybrid procurement modality spearheaded by MoES.

ii) Poor planning as many projects became effective before the necessary preparatory activities were undertaken. The Skills Development Project has lost 14 months of implementation since the project became effective, while the Albertine Region Sustainable Development Project, and the John Kale Institute of Science and Technology have each lost over 24 months since becoming effective due to lack of proper project preparation and planning.

iii) Loss of donor funds: The procurement of furniture for the 84 UTSEP primary schools was cancelled and if government does not provide funds for furniture, which furniture should have been verified by PWC by March 2019, the project is likely to lose about USD 6m.

iv) Low staffing levels and unrealistic staff ceilings across the sector. The government staff ceilings in both primary and secondary schools have remained static which has created shortage of teachers in schools. Most of the universities were also operating below the required staff establishment.

Recommendations

i) The MoES should expedite the procurement process for the UgIFT project, and conclude the post evaluation reviews to ensure that contracts are awarded and works commence. Relatedly, funds that will be swept back by the system should be returned to the implementing districts to ensure that works are not disrupted.

ii) The MoES and all project implementers should undertake adequate project planning and preparations (for both donor and GoU funded projects) well in advance of the project effectiveness and start dates.

iii) The MFPED and MoES should mobilize funds for immediate procurement of furniture for schools under the UTSEP project to avert loss of project resources.

iv) The Ministry of Public Service and MoES should revise the existing staff ceilings in order to allow recruitment of teachers in primary and secondary schools.

Energy

The overall approved budget for the Energy and Mineral Development Sector FY 2018/19 inclusive of External Financing, Arrears, and AIA amounts to Ug shs 2,485.198 billion, of which Ug shs 1,487.58 billion (59.9%) was released and Ug shs 222.6 billion (37.9%) spent. The Votes in the sectors that had the lowest absorption of funds were Vote 123- Rural Electrification Agency (REA-19.1%) and 312-Petroluem Authority of Uganda (PAU-33.0%). Low absorption under REA was mainly because construction works on most projects had just commenced and others were concluding procurement processes.

The overall sector performance at half year was fair at 68.5%. Notable among the achievements was the completion of major works and commissioning of two generating units at Isimba Hydro Power Project (HPP) adding 90MW to the national grid, and the two remaining units were to come on line in a month's time.

Highlights of Sector Performance

The Energy Planning, Management and Infrastructure Development Programme physical performance was fair at 63.0%. The Mbarara-Nkenda transmission line construction was completed after long delays. Progress on the works for the Electrification of Industrial Parks had progressed well with the completion of the substations in Iganga, Luzira, Mukono and Namanve. Work on the short transmission line sections to link the substations to the transmission grid was however progressing slowly due to Right of Way (RoW) challenges. Progress on the Karuma-Interconnection Project (KIP) was commendable, and the Karuma-Kawanda section progress was at 75% with 496 out of the 639 towers erected, but RoW challenges affected 110 tower locations. On the Karuma –Lira sections, 109 out of the 156 towers were completed.

Projects still facing implementation challenges include the Lira-Opuyo transmission line and Nile Equatorial Lakes Subsidiary Action Program (NELSAP) (the substations and Bujagali-Tororo line). Works on other projects such as the Masaka-Mbarara Grid Expansion line, Lira-Gulu-Nebbi-Arua transmission line, Mirama-Kabale transmission project, Gulu-Agago transmission project, Opuyo Moroto, Mbale-Bulambuli transmission line, Kampala-Entebbe Expansion Project, Energy and Rural Transformation III had not begun and were at various stages of concluding financing, procurement and compensation. The main challenge affecting performance was the difficulty in acquisition of RoW which restricted access by project contractors to project sites.

Under the Large Hydro Infrastructure Programme whose main sub-programmes are Karuma, Isimba and Muzizi HPP, overall performance was good at 70.5%. By 31st December 2018**,** 98% of the works at Isimba were completed. Units 1 and 2 were commissioned and their performance being monitored. The switch yard and transmission line connecting Isimba HPP to Bujaggali Switchyard were completed, commissioned and about 90MW from the HPP was being evacuated to the national grid. The planned completion date for the few remaining works was 30th March 2019.

The overall progress of Karuma HPP was 86% compared to a planned 100%, and project completion date was extended to December 2019. The financial disbursement stood at 81.96% which translates to USD 1,146363664. Completed works translate to 73.14% for civil works, 1.91% for hydro mechanical works and 15.95% for electro-mechanical works. Overall progress of the works had improved due to delivery of most electro mechanical/hydro mechanical equipment at site. Highlights from Karuma include completion of the concrete works on the dam structure, and commencement of installation of electro mechanical equipment in units 2 & 3. Civil works were completed in the dam and power Intake, Tail Race Tunnel (TRT) and Tail Branch Tunnel (TBT). Defect repairs in the dam intake continue.

Works on Muzizi HPP had not yet commenced. The process of procuring a contractor for the engineering works was ongoing and Uganda Electricity Generation Company Limited (UEGCL) was undertaking disclosure and consultations with the project affected community.

The Petroleum Exploration, Development, Production, Value Addition and Distribution of Petroleum Products Programme performance was fair at 68.5%. Under petroleum exploration, 200-line km of geophysical data and over 320 sq km of geological mapping were undertaken in Moroto-Kadam basin, representing 40% coverage. Preparations for the second licensing round were in progress with meetings ongoing in preparation for the launch at the East Africa Petroleum Conference in May 2019. Review of the application for the production licences for areas of Lyec, Mpyo and Jobi-East was ongoing. The Ministry of Energy and Minerals Development (MEMD) continues to monitor the Resettlement Action Plan (RAP) implementation for Tilenga and Kingfisher projects (Tilenga: RAP1 -98%, RAP2&4 -70%, RAP3&5-45%, Kingfisher -95%).

On the refinery development, the lead investor, M/s Albertine Graben Refinery Consortium (AGRC) commenced the Front End Engineering Design (FEED) studies that will inform the Final Investment Decision (FID) of the Refinery Project. On the East African Crude Oil Export Pipeline (EACOP), negotiations of the Host Government Agreement (HGA) between Government of Uganda and the Joint Venture Partners were progressing.

The Uganda National Oil Company (UNOC) continued with its mandate of stocking Jinja Strategic Tanks, and closing stock by 31st December 2018 was 0.686 million liters.

The construction of Phase-3 of the National Petroleum Data Repository, laboratories and offices for the Directorate of Petroleum, and the Petroleum Authority of Uganda (PAU) continued. Progress was at 62% as opposed to the planned 100%. The programme was constrained by low funding which delayed construction works on the new office building, and acquisition of specialized software packages for analyzing the oil and gas sector data. UNOC lacked adequate funding for all its activities, and had a shortfall of Ug shs 40 billion for stocking of the fuel reserves in Jinja.

The Mineral Exploration, Development and Value-Addition Programme performance was fair at 66.5%. Under the Mineral Wealth and Infrastructure Development Project, Principles for the Mining and Minerals Bill were developed and submitted to Cabinet on 17th December, 2018.

The Regulatory Impact Assessment (RIA) for the Mining and Minerals Bills was finalized and the financial clearance for the principles on the Mining and Minerals Bill obtained from MFPED. The draft final Mineral Laboratory Policy was presented to Sector Working Group and RIA is being developed.

Under the programme, the Geology Directorate continued to monitor and supervise the mining licenses and activities in the areas of Namayingo, Mubende, Busia, Bugiri, Kasese, Kabarole, Buhweju, Rubanda, Ntungamo, Kabale, Kisoro and the Karamoja region. The artisanal miners in Mubende District were re-organized. To reorganize and monitor activities of artisanal miners, procurement of a consultant to undertake biometric registration of the miners was on-going. As part of improving the governance in supervision and monitoring activities in the minerals sector the Mining Cadastre and Registry System software was updated to the e-government system, and the MOU for integration with NITA-U and URA was finalized.

Programme performance was affected by delays in the procurement process due to over centralization of the procurement function at the Ministry Headquarters, poor budgetary allocation, lower staffing levels in the departments, and diversion of funds meant for activities of the directorate.

Rural Electrification Programme performance was good at 74.1%. The number of people accessing the electricity grid increased to 143,461 compared to the target of 120,457. A total of 1049.02Kms of Low Voltage and 1,315.28Kms of Medium Voltage Lines were completed.

Under Islamic Development Bank(IDB) funding, works had begun on grid extension projects in districts of Mayuge, Buikwe, Karamoja, Soroti, Serere, Amolatar, Lira, Mpigi, Wakiso, Tororo, Ngora, Rukungiri, Mbarara, Kabale, Mitooma, Ibanda, Rubanda, Kabarole, Kyenjojo, Kyankwanzi, Kiboga, and Hoima. Works on other grid extension projects under OPEC International Fund for Development (OFID) funding continued in Buyende and Kamuli districts.

Completed projects under the French Agency for Development (AFD) were under defects liability period in districts of South Western Uganda (Ntungamo, Kisoro, Kabale, Isingiro, Bushenyi, Mbarara, Sheema), Western Uganda (Kabarole, Kyenjojo, Kyegegwa, Kasese, Hoima, Kiryandongo), Eastern Uganda (Mbale, Manafwa, Sironko, Tororo) and Central Uganda (Lwengo, Sembabule, Masaka, Buikwe).

Projects where funding was secured from the World Bank (IDA), Kuwait Fund, EXIM Bank of China, Abu Dhabi Fund and African Development Bank were yet to commence, partly due to delays in procurement and meeting effectiveness conditions.

The programme experienced an increase in funding with a total budget of Ug shs 683.164 billion, of which 55.8% was released by Q2 of the FY. However, the programme expenditure was only Ug shs 131.44 billion due to delay in commencement of a number of projects, owing to the elaborate procurement guidelines form the funding agencies.

Key Sector Challenges

i) Difficulty in acquisition of RoW continued to slow progress of works on all transmission line projects. Works on transmission lines linking the completed substations in the industrial parks suffered severe delays.

ii) Funding for some critical activities under the Oil and Minerals sub-sectors especially for acquisition of field data, specialized laboratory equipment and software programmes with their licences was not adequate.

iii) The slow pace of procurement affected performance of the sector, delaying the commencement of several projects under REA.

Recommendations

i) The Government should work with courts of law to ease the burden faced by Uganda Electricity Transmission Company Limited (UETCL) in acquisition of wayleaves. Several projects affected persons possess illegal land titles in wetlands, and there were several court injunctions bogging down land acquisition activities.

ii) The Ministry of Lands, Housing and Urban Development should review the land law to enable quicker acquisition of land for government projects. Implementation of projects in the sector continues to suffer leading to increased expenses.

iii) The sector should prioritize funding to some of the neglected areas. More funds should be allocated for equipping the mineral and oil laboratories, and the acquisition of the required equipment, software and license for the Oil and Gas sector.

Health

The health sector's revised allocation for FY2018/19 excluding arrears is Ug shs 2,363.374 billion of which Ug shs 1,296.871billion (54.9%) was released, and Ug shs 1,062.310[2] billion (81.9%) spent. Votes that effectively utilized the released funds included; National Medical Stores (NMS) at 100%, Uganda Cancer Institute (UCI) at 95%, Uganda Aids Commission (UAC) at 90%, Mulago National Referral at 89%, and Butabika at 83%.

Votes that registered poor absorption of funds included: Soroti 56%, Mbale Regional Referral Hospital (RRH) at 57%, and Uganda Virus Research Institute at 54%. The overall low absorption of funds was in part due to failure to utilize the wage bill especially at the RRHs where recruitment was still ongoing, low financial capacity of contractors, and late initiation of procurement.

Highlights of Sector Performance

Overall sector performance **was below average at 45%** achievement of semi-annual planned outputs. However, there were some good performing programmes under the **Inclusive and Quality Care Services Sector Outcome**. Pharmaceutical and other supplies under MoH performed well, where Vaccines, Anti-Retroviral Therapy (ARVs), Artemisinin-based Combination Therapy (ACTs), Anti-Tuberculosis (TB) medicines, and other health products

[2] The 81.9% expenditure excludes the detailed expenditure at local government level,

pharmaceutical, health products non-pharmaceutical, and health products equipment were provided. Vaccines and Medicines (ACTs, ARVs, and Anti-TB) were available at the health facilities 92% of the time.

The Clinical Health Services and Public Health Services Programmes similarly performed well as disease outbreaks such as Cholera, Rift Valley Fever, Ebola, Crimean Congo Haemorrhagic fever, Anthrax in Rhino Camp, and Ebola among others were contained. The Medical Services at RRHs also recorded good performance where diagnostic investigations, out and inpatient services among others surpassed the semi-annual targets at some of the RRHs. This leads to an increase in budgetary requirements for essential medicines and other health supplies. Health Infrastructure and Equipment Programme progressed in implementation of rolled over or multiyear projects.

Fairly performing programmes included: Safe Blood Provision, Heart Services, National and Regional Referral Services. Poor performing programmes included Programme 81 (Primary Health Care) at all local governments).

Outstanding sub-programmes included: Global Fund for AIDS, TB and Malaria at 93%, the average availability of medicines was 91%. Global Alliance for Vaccines Initiative (GAVI) at 97% with availability of vaccines at 96%. The construction of the Maternal and Neonatal Hospital at 99%. The facility was completed and handed over. Operations had commenced, however, only 80% of the equipment was delivered and installed by 31st December 2018.

The construction and equipping of Kawolo General Hospital was at 90% civil works and 24% of the equipment targets achieved. The project was behind schedule, so its end date was extended to 26th April 2019. Some facilities like Male, Female, Paediatric, Maternity, Antenatal and Isolation wards; New Out Patient Department among others were handed over and already in use. Rehabilitation works at Busolwe General Hospital did not commence.

Regional Referral Hospitals that performed well included: Hoima RRH at 90% where the construction of the lagoon was at substantial completion, Fort portal at 75% with construction of 16 staff housing units was at 50% against a target of 60%. Kabale RRH was at 87% and the works at interns' hostel were ahead of schedule at 65% against a 63% target.

Fairly performing RRHs included Arua RRH at 68%**,** where the first phase for construction of the ground floor slab was 50% complete, and steel works in preparation for casting of the raft foundation were in advanced stages. Masaka RRH at 69%, with works on the Maternity Ward Complex at 77%, while works on the staff hostel slab had resumed. Moroto RRH at 73%, with physical progress for the staff house at 45%. Rehabilitation of the maternity ward had just commenced with 20% substructure works done, against 30% financial progress.

Poorly performing RRHs were; Mubende at 12%, China Naguru Friendship Hospital at 40%, and Mbale RRH 18%, with works on the Surgical Complex stalled and the contractor had abandoned site due to inadequate financial capacity. At Mubende RRH, no additional works were executed because the hospital used the funds to pay arrears for previously completed works, and the project had stalled at 60%.

Soroti RRH at 43% with development funds totalling to Ug shs 1,064,416,099 unspent by 31st December 2018. Procurements for FY2018/19 had not been initiated by 8th February, 2019. This was partly because the new Accounting Officer substantively started work in January 2019, and the hospital was re-orienting the new contracts committee.

Fairly performing sub-programmes included: The East Africa Public Health Laboratory Networking Project II at 60%. It collaborated with Clinical and Public Health programmes in management of outbreaks, in addition to provision of assorted diagnostic equipment such as Carbon Dioxide Incubator, Autoclave 75 liters, General-Purpose Laboratory Refrigerator, and Ultra-Low Temperature freezers among others to Moroto, Fort-portal, Mbale, Arua, Lacor and Mulago hospitals. Other equipment and the ambulances were however still under procurement.

Relatedly, the contracts for refurbishment and reconstruction of Arua, Mbale and Mbarara laboratories were signed and works commenced at some RRHs (Mbale, and Mbarara), while others were yet to commence (Arua, and Lacor). The works for the construction of Entebbe Isolation Center, Viral Haemorrhagic Fever (VHF) in Mulago, and Multi Drug Resistant Tuberculosis (MDR) treatment centre in Moroto were under procurement.

Other fairly performing sub-programmes included: Construction of the Regional and Paediatric Hospital in Entebbe, the project was on schedule with overall progress at 60%. The structure was roofed, rammed earth wall completed, while internal finishes, mechanical and electrical installations were ongoing.

Poorly performing sub-programmes included Institutional Support to Ministry of Health (MoH) at 37%. There was observed laxity in development of Bills of Quantities (BoQs) for the planned civil works under the sub-programme, however some funds were used for the completion of a two storey staff house at Kapchorwa Hospital. The renovation, and expansion of Kayunga and Yumbe hospitals' project was at 30%. The works at Kayunga were at 46% against a 50% target, while Yumbe was at 24.5% against 26.5%.

The Uganda Intergovernmental Fiscal Transfer sub-programme (UGFIT) was at 6% achievement of set targets. No contract had been signed by any of the 124 beneficiary LGs by 31st December 2018. Maintenance of the infrastructure was also not executed in most LGs visited. Strengthening Capacity of Regional Referral Hospitals sub-programme was the worst performer at 0% achievement. The sub-programme was not ready for execution.

Competitive Health Centres of Excellence recorded fair performing programmes; for instance, construction of the radiotherapy bunkers under Uganda Cancer Institute Project was ongoing. External works, electrical installations and auxiliary works had commenced, while the manufacturing of the Linear Accelerator Machine had also commenced and was expected to be delivered in Uganda by May 2019. Conversely, the ADB Support to Uganda Cancer Institute poorly performed. The contract for the Oncology Institute was signed and site handed over on 14th December, 2018. Mobilization of both materials and workers was ongoing, although the project is way behind schedule in relation to the project effectiveness date.

Uganda Heart Institute at 65%: Procurement of equipment and furniture was underway with some items like heat coolers, mobile x-ray, blood bank fridge delivered, while others like Fractional Flow Reserve (FFR) and Intravascular Ultrasound (IVUS) were under procurement. A laptop and printer were also procured.

Uganda Blood Transfusion Services (UBTS): Blood collection performed fairly with some blood banks, collection and distribution centers like Jinja, Masaka, Gulu, Fort-portal, Mbale nearly achieving their targets. Blood operations were affected by the lack of reagents to enable timely screening of Transfusion Transmissible Infections (TTIs). This led to blood shortage in various parts of the country. Late initiation of procurements was also noted under the UBTS development project leading to the poor (45%) overall performance of the safe blood provision programme.

National Referral Hospitals*:* At Butabika Hospital, the contract for construction of a three storey six unit house was signed on 15th November 2018. The contractor had fully mobilized and works commenced. Medical services were fairly achieved.

Inclusive Health Care Financing Sector outcome: Performance was still low, as the National Health Insurance Scheme (NHIS) regulations had not yet been developed, the bill was submitted to the First Parliamentary Council for comments. The operationalization of the scheme is taking a slow pace, albeit the high out-of-pocket expenditure and the poor functionality of the health delivery units.

Key Sector challenges

i) Procurement delays with the Uganda Intergovernmental Fiscal Transfers Program (UGIFT) and projects under entities like Mulago, and RRHs were behind schedule.
ii) Poor communication between the District Local Governments (DLG) and MoH. Majority of districts (75%) had not formally received the PHC development guidelines from MoH. Busia DLG for instance locally procured a contractor contrally to the guidelines.
iii) Poor wage absorption due to delays in the entire recruitment and deployment process.
iv) Inadequate alignment of plans, allocations and strategic plans between various stakeholders of government. The planned CHEW strategy was not approved by Cabinet yet Ug shs 3 billion was allocated and released to MoH to commence activities.
v) Stock out of medicines continue in the last three weeks of every cycle due to increased demand for services resulting from the increasing population and limited budget ceiling for various facilities.
vi) Poor planning characterized prioritization of blood collection without corresponding processing allocations. This caused blood shortages in various blood banks and facilities visited

Recommendations

i) The MoH should ensure that contractors execute works within the contracted schedule to enable absorption of allocated funds.
ii) The MFPED should issue sanctions to Accounting Officers that fail to absorb funds due to delayed procurement.
iii) The MoH should formally communicate the guidelines to LGs as soon as the Indicative Planning Figures are dispatched.
iv) The MoH, Health Service Commission (HSC), Ministry of Public Service (MoPS) and District Service Commissions should work together regarding revision of advertising, recruitment and deployment timelines to ensure absorption of the allocated wage bill.
v) The UBTS, National Medical Stores (NMS), MoH and MFPED should ensure harmonized planning for both blood collection, processing, storage, transportation among others.

Information and Communications Technology

The overall budget for the ICT sector comprising of Wage, Non-Wage Recurrent, Development, Gross Tax, and Appropriation in Aid (A.I.A) for FY 2018/19 is Ug shs 181.07 billion, of which Ug shs 41.796 billion was for Vote 020 (Ministry of ICT&NG) and Ug shs139.274 billion for Vote 126 (National Information Technology Authority Uganda -NITA-U).

The release and expenditure performance was good and poor (60% and 45%) respectively. Performance showed low absorption under both Votes with 50% (Ug shs 41.161 billion) absorption under NITA-U and 30% (Ug shs 8 billion) absorption under the Ministry; despite having over 59% (Ug shs 82.769 billion) and 63% (Ug shs 26.372billion) of their budgets released.

Highlights of Sector Performance

The sector performance in terms of outputs by 31st December 2018 was fair (63%). Under **connectivity and internet bandwidth**, 65 new MDA sites were connected to the National Backbone Infrastructure (NBI) bringing the total number of connected sites to 397. Of these, 282 were receiving services including internet bandwidth, IFMS, leased lines, dark fibre and Data Centre by 31st December, 2018. However, the price of internet bandwidth was maintained at the same level as FY 2017/18 at US$ 70 Mbps per month. The coverage of MYUG Free Public WI-FI service was expanded to cover over 284 locations and 76,519 users had signed up for the service by December 2018. This has enabled the citizens to have free, fast and reliable internet connectivity.

E-Government services: Two (2) additional e-government services were added to the e-Citizens Portal (http://ecitizen.go.ug) in an effort to deliver electronic public services which improved citizen access to Government services. This brings the total number of e-government service on the e-Citizen portal to Eighty-One (81). Further, NITA-U rolled out U-mail (a Unified Messaging and Collaboration System) to six (6) piloting entities that leverages on traditional email and accessibility to collaborative applications to support and improve Government wide communication. U-mail shall increase Government efficiency through shared services.

Furthermore, NITA-U upgraded the National Data Centre and Disaster Recovery Site to Tier 3 classification. These facilities are currently providing services to 33 MDA/LGs and hosting 36 critical Government applications and systems. Government shall realize cost saving through centralized hosting and Disaster Recovery Services for Government Applications and Data at the National Data Centre. The Regional Communications Infrastructure Program (RCIP) project also registered increased budget absorption during Q2 due to increased implementation of a number of key activities namely; the Unified Messaging and Collaboration System (UMCS), the Cloud Solution, the e-Government Procurement (e-GP) and the Consultancy for Gap Analysis for legal and regulatory framework for the ICT Sector.

National ICT Initiatives Support Programme (NIISP): Under the Ministry**, t**hree ICT hubs were supported namely: Resilient African Network, Tech Buzz Hub and Hive Collab, 150 innovators were attached to innovation hubs for mentorship, and the activities of ICT innovators supported under the first call for Innovations in FY2017/18 under the NIISP were monitored.

The second call for Innovators was also finalized, approved by the Selection Committee and published. The steel structure and roofing for the ICT Innovation /Incubation Center at Uganda Institute of Information and Communication Technology (UICT) Nakawa were also completed and final finishes including ceiling, electrical and plumbing works were ongoing. The estimated overall physical progress was 70% against a time progress of over 100%.

Bills, Policies and Guidelines: The Data Protection and Privacy Bill, 2015 was passed by Parliament and was awaiting assent by His Excellency the President of the Republic of Uganda**.** The first draft of the E-Commerce Strategy and the roadmap for institutionalization of ICT cadres in Government were developed. A paper for Information Technology Enabled Services (ITES)/Business Process Outsourcing (BPO) communication and sensitization strategy was prepared. Consultations on the regulatory impact assessment of the e-Government Interoperability Policy were undertaken. In addition, the Cyber Strategy was disseminated to over 20 MDAs at the Cyber Defence East Africa Workshop from 6^{th} -7^{th} September 2018 at UBOS Conference Hall, and the 2^{nd} Draft Spectrum Management Policy was developed.

Technical guidance, monitoring and supervision: Technical support was provided in the implementation of the Academic Information Management System and the Netherlands Trust Fund (NTF4) IV project that promotes IT enabled services and BPO. The sector also participated in open source software workshop organized by the Uganda Open Source Software Association and software clinics organized by the Innovation Hubs. Further, the costed Implementation Action Plan for the Draft Media Local Content Policy was developed; and eighty-two (82) additional firms were certified bringing the total to two hundred thirty-nine (239). Postcodes for all Parishes were finalized and submitted to Ministry of Works and Transport for inclusion into the Building Control Regulations and special postcodes were developed for special interest areas (Parks, Government offices, tourist sites, monuments, land marks, historical sites) in all districts of Uganda. Further, thirty-one (31) sensitization activities on IT legislation were carried out to enhance awareness within Government, regulated entities and the public.

Challenges

The ICT sector performance is hampered by delays in initiation of procurements, low ICT technical capacity within MDAs to support the systems, lack of capacity (human resource, hardware and software) at MDAs to generate content for the different e-government services including websites, inadequate funding to finalize the revamping and clearing of arrears at Uganda Broadcasting Corporation (UBC), and delays in procurement approvals/securing no objection from the World Bank.

Recommendations

i) The MoICT&NG and NITA-U should develop a change management strategy to ensure that duplication is minimised on procurement and use of ICT installations.

ii) The NITA-U through the RCIP should prioritise provision of key hardware and software such as computers and structured cabling to agencies where the NBI was delivered but not in use in order to increase the uptake of e-enabled services.

iii) The outstanding arrears to URA, NSSF and staff gratuity under UBC should be prioritised and funded.

iv) The MoICT, NITA-U and Ministry of Public Service should review the staff ceiling for sector to increase on implementation efficiency by filling more technical positions.

v) The NITA-U should regularly engage the World Bank Task Team Leader to ensure that "no objections" are secured in time.

Industrialization

The Industrialization Sub-Sector budget for FY2018/19 is Ug shs135.990 billion, of which Ug shs 88.171 billion (64.8%) was released, and Ug shs 86.168 billion (97.7%) spent by 31st December 2018. Releases and expenditures were good.

Overall performance

The sub-sector average performance by half year was good (75.9%). Standards Development, Promotion and Enforcement Program under Uganda National Bureau of Standards (UNBS), and Development Policy and Investment Promotion (United States African Development Foundation-USADF) under MFPED had good performance above 80%. The Investment Promotion and Facilitation program under Uganda Investment Authority (UIA) and Industrial and Technological Development under Ministry of Trade, Industry and Cooperatives (MoTIC) and Uganda Development Corporation (UDC) exhibited fair performance

Highlights of Sector Performance

Development Policy and Investment Promotion program (United States African Development Foundation) Value addition: The USADF identified eight (8) beneficiary groups/cooperatives for support through either capacity building (enterprise development) or enterprise expansion for FY 2018/19. The selected cooperatives were in the early stages of implementing value addition enterprises in coffee, rice, maize, peanut and beans.

The program performance was good (86.4%). Out of the nine beneficiary groups selected by USADF for support in FY2018/19, the semi-annual monitoring focused on seven that had started implementation. Kweyo Farmers' Cooperative had completed and occupied its infrastructure, while Kabeywa Cooperative was constructing the sub-structure for the plant and stores. All the beneficiary groups were doing well on the component of administrative support and training. All the groups had received at least two trainings and some working capital except Mt. Elgon Coffee Farmers' Cooperative. Kweyo Farmers' Cooperative received all the equipment while procurement of equipment was at various levels for the different groups. Two (Kweyo and Mt. Elgon) out of the seven monitored entities had expended on technical assistance. Overall, the project exhibited effectiveness in resource utilization and is on course of achieving its objectives.

Development of Industrial Parks and Investment Promotion and Facilitation under UIA: Programme performance was fair at 61.2%. The recurrent sub-programmes performed better than the development component. The UIA was tasked to develop 22 Industrial parks across the country by the year 2020. Land was acquired for eight industrial and business parks in Luzira, Bweyogerere, Mbarara, Moroto, Kasese, Soroti, Mbale and Namanve. However, during FY 2018/19, the budget for development of industrial parks was reduced owing to wage and non-wage demands at UIA. Also, the activities related to maintenance and opening of roads in all parks did not take off due to inadequate allocations. In terms of investment promotion, a total of 120 projects were licensed, round table conferences and after care services with investors were organized. Compensation of the remaining 61 squatters at Mbale Industrial and Business Park was ongoing, with 15 of the claimants paid. However, the resources allocated were not adequate to cover all the claimants.

Kampala Industrial and Business Park: The UIA initiated a procurement for the Engineering, Procurement and Construction (EPC) for the infrastructure development of Kampala Industrial and Business Park –Namanve. By December 2018, a commercial contract had been signed with M/s Lagan from the United Kingdom to undertake the works. Thirty-seven (37) industries are currently in operation within the Kampala Industrial and Business Park directly employing 15,000 Ugandans within the park; 99 projects have commenced construction creating an additional 17,000 indirect/short term/contract/technical jobs during this period, while 140 companies were still in the pre-start stages (surveying, processing deed plans and titles, environmental impact assessment certificates, architectural designs, geotechnical and hydrological studies).

Industrial and Technological Development programme: Performance was fair at 68.9%. The various projects and sub-programmes had varying levels of implementation. The Rural Industrial Development Project (RIDP) under MoTIC was in the process of procuring and supplying equipment to eight (8) selected enterprises by 31st December 2018. Three enterprises whose procurement of equipment was concluded in the previous FY received the supplies and were in use. They included MBK Enterprises in Kaliro District, Kijjukizo Carpentry hub in Butambala District, and Nakirebe Farmers' Cooperatives in Mpigi District. Construction of the Kiln for Zigoti Clays in Mityana District was ongoing at a rather slow progress. It was observed that implementation is behind schedule. In addition, the quality of supplies is below the expectations of the recipients. The project does not exhibit value for money.

Notably, the programmes and sub-programmes under UDC varied in levels of progress. The Government of Uganda acquired all allocated shares from Horyal Investments (owners of Atiak Sugar Factory) after paying an additional Ug shs 45 billion. The government owns 32% shares in the company worth Ug shs 64.8 billion.

Soroti Fruit Factory: Construction and installation of equipment at the factory was completed. The previously identified defects were addressed except for the pending primary waste treatment lagoon. The floor in the production area was upgraded to food grade polyurethane standard. Recruitment of staff, office partitioning, establishment of a management structure, purchase of pouches, two fork lifters, and borehole drilling were completed. However, staff training was awaiting the arrival of the Korean experts. The factory was scheduled to undertake test runs prior to official commissioning. It was observed that construction of the secondary effluent waste disposal, which is an obligation by GoU under the UIA was still pending.

Establishment of Zonal Agro-Processing Facilities' Project: The Kigezi Highland Tea factories in Kabale and Kisoro districts were commissioned. The factory in Kisoro is currently not operational due to insufficient and poor quality leaf obtained, while the Kabale Tea Factory operates at least three days a week. Procurement of the 40,000kg processing equipment for Kayonza Tea Factory in Kanungu District was ongoing and the equipment was expected to be delivered starting April 2019. The progress of civil works for the structure to house the production line was estimated at 30% and was expected to be completed in May 2019. An inception report for the proposed Nebbi/Zombo tea factory was prepared. The UDC undertook farmer training in good agronomic practices in Zombo District and supported the formation and registration of Zombo Tea Farmers' Cooperative.

Other planned projects such as sheet glass in Masaka District, Luwero Fruity Factory, Mabale Tea Factory, Moroto cement and lime plant, and Lake Katwe Chemical Industries were still in early stages of either exploration, or master planning.

Standards Development, Promotion, Enforcement, and Support to UNBS programmes: Performance was good at 87.1%. The civil works for the construction of the food safety laboratory blocks (microbiology, petroleum and chemistry) including reception, analysis, and storage rooms was at 55%. The ongoing works included electrical installation, floor works, and final finishes. As part of quality assurance and control, the UNBS opened up an SME desk to ensure quality of products for the small and medium manufacturers (cottage industries). The agency opened and furnished three regional offices in Mbale, Gulu and Mbarara districts to take services nearer to the people. Two station wagons, two double cabin pickup trucks, and three motorcycles were procured to facilitate operations of the agency.

Recommendations

i) The Government agencies should strengthen linkages and build synergies in project implementation and execution. For example, the UDC, UIA and National Water and Sewerage Corporation (NWSC) should prioritize the establishment of a waste disposal facility at Soroti Industrial and Business Park to avoid delays in operationalization of the fruit factory and industrial parks.
ii) The UIA should strengthen the planning function to avoid interruptions in programme implementation.
iii) The power distribution and transmission companies (UMEME and UETCL) should improve the quality of power specifically to areas where industries are located to reduce on cost of production and avoid loss of sensitive equipment by industrialists.
iv) The UDC Board should recruit staff in critical areas to improve performance and absorption of funds. Capacity in project management should be enhanced.
v) The MoTIC should undertake comprehensive appraisal of beneficiaries to ensure sustainability of the seed support under RIDP. Suppliers who consistently deliver defective equipment should be blacklisted.
vi) The Government of Uganda through the MFPED should capitalize the Uganda Development Bank (UDB) to enable entrepreneurs access cheaper credit for commercialization of viable research and prototypes.

Public Sector Management

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 31st 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 within MoPS. The delayed accountability of pension and gratuity arrears was also due to delayed submission of bank statements from claimants. Constant wage shortfalls were noted in the health and education sectors in LGs.

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, which is largely attributed to poor job descriptions, structures, inadequate pay, political interference in the recruitments. The departments largely affected are Engineering, Health, Community, Environment, Planning, Finance, Audit, and Human Resource. Apart from 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 PSC is charged with building capacity of District Service Commissions (DSCs) 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 they are not achieving the 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 structures of strategic positions in the LGs 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.

Roads

The total budget for the Works and Transport Sector in FY 2018/19 including arrears is Ug shs 4,793.829 billion. This increased by Ug shs 294.43 billion (6.54%) from the previous FY. The breakdown of the budget for the FY 2018/19 by Vote (excluding arrears) is: Vote 016 – Ministry of Works and Transport (MoWT) had Ug shs 874.798 billion (18.25%); Vote 113 – Uganda National Roads Authority (UNRA) had Ug shs 3,130.414 billion (65.3%); Vote 118 – Uganda Road Fund (URF) had Ug shs 542.517.413 billion (11.32%); Vote 122 – Kampala Capital City Authority (KCCA) has Ug shs 223.26 billion (4.66%); Vote 500 – Local Governments (LGs) has Ug shs 22.840 billion (0.48%).

The sector financial performance was good as the budget release and absorption by the end of December 2018 was 59.64% and 86.6% respectively. The three votes monitored: Vote 013-MoWT, Vote 116- UNRA and Vote 118- URF had a combined release of Ug shs 2,712.44 billion of which Ug shs 2,069.96 billion was expended. The budget release and absorption of Vote 013-MoWT, Vote 116-UNRA and Vote 118-URF in the road sub-sector was 49.18%, 43.16% and 53.22%; and 94.51%, 82.40%, and 99.20% respectively. The very good performance of the URF was attributed to the transfer of all funds received to the designated agencies.

Highlights of Sector Performance

The roads sub-sector performance was good at 70%. The performance was greatly contributed by the URF; and this was tagged to: the acquisition of new Japanese road maintenance equipment from MoWT by all the DLGs; the improvement in staffing levels and the commencement of framework mechanized contracts for maintenance of roads at the UNRA stations. Achievement of targets was however affected by delays in procurement of road construction materials and service providers in the MoWT and at UNRA stations; the inclement rains in the first half of the financial year which disrupted works progress of on-going projects and caused emergencies on the national and district road networks leading to deviation from planned activities.

The performance of the roads subsector in the MoWT was fair at 62%. This was attributed to the good performance of the Construction of Selected Bridges project which was at 78%. Implementation of planned outputs by the force account implementing units was enhanced by the acquisition of the new Japanese equipment. However, heavy rains the first half of the financial year and delays in procurement of service providers continued to affect implementation of activities despite the good release performance of 52% of the budget. Projects like the EATTFP have experienced funding short falls during implementation and thus activities are implemented beyond the stipulated timelines bearing a cost on the government.

The performance of Vote 116 - UNRA implementing the National Roads Construction/Rehabilitation programme was good at 76.6%. This was attributed to achievement of: 159 km (39.75%) out of that annual target of 400km of national gravel roads that upgraded to tarmac; 55km-equivalent (27.5%) out of the 200km of paved national roads that were reconstructed/rehabilitated and two (2) bridges out of five that were constructed. Notable of the well performing projects was Kashenyi – Mitooma (11.53Km) and Kitabi Seminary Access Road (0.8Km) which achieved over 90% of the annual targets by the end of the December 2018. Failure to meet the semi-annual targets was mainly attributed to the heavy rains experienced in Q2 and the delayed acquisition of the right of way for upgrading projects. These shortfalls in the semi-annual targets are likely to hamper the achievement of the annual targets and consequently, achievement of outcomes.

The performance of the URF was good at 71%. The vote has two programs: District, Urban and Community Access Roads (DUCAR) and the National Roads Maintenance (NRM). The performance of the DUCAR maintenance programme was 61.4% while that of the NRM programme implemented by UNRA was at 80%. Local governments such as Butebo, Buvuma, Dokolo, Kalungu, Kakumiro, Kisoro, Mayuge districts and Njeru and Sheema Municipalities achieved at least 80% of their half year targets. The good performance for the above districts was attributed to the acquisition and utilization of the new Japanese road maintenance equipment from MoWT which enabled the implementation of most of the annual planned outputs.

On the other hand, Amolatar, Amuria, Bundibugyo, Manafwa, Mbale districts; and Fort Portal and Soroti municipalities had a poor performance. The poor performance was attributed to factors such as; delayed procurement, sharing of the inadequate equipment between district; town council and sub-county, lack of excavator to excavate gravel for spot gravelling and technical challenges on the IFMS rendering funds inaccessible. Manafwa had a 0% achievement on the district network because the only available grader was shared between the six town councils and 15 sub-counties.

The NRM achievement of the annual output targets was good at 80%. The physical performance of the force account and contract components of the NRM programme were good at 78.5% and 80.4% respectively. Despite the good performance, the NRM program is still being hampered by inadequate and dilapidated equipment; and delays in procurement of culverts and gravel due to failure of the regional contracts committees to convene since the members are spread all over the regions. Additionally, the threshold for micro procurement of Ug shs 5 million is unrealistic for acquisition of equipment spares and other inputs since the UNRA stations are required to aggregate them.

Key Implementation Challenges

i) Inadequate facilitation of supervision vehicles across all implementing agencies which hampers monitoring, mobilization and supervision of works.

ii) Prolonged torrential rains experienced in most parts of the country in the months of October to December 2018; this caused emergencies on the national and district road network disrupting planned activities; and affecting progress of works on construction projects.

iii) Delayed acquisition of the right of way on most of the upgrading projects on the national road network.

iv) Understaffing of works departments at Local Governments.

v) Underutilization of the newly acquired Japanese equipment at the Local Governments due to: lack of transportation equipment like low bed trucks; lack of funding for rehabilitation of dilapidated road network; and the inadequate capacity of operators.

vi) Dilapidated equipment fleet at the municipal councils which compelled them to rely on hired equipment or borrow from the Local Governments.

Recommendations

i) All agencies should provide road maintenance implementing units with sound and adequate supervision vehicles.
ii) Implementing units should take advantage of the dry season to expedite works to make up for the time lost during the heavy rains.
iii) The GoU should consider procuring of equipment units for the municipalities as these did not benefit from the newly acquired Japanese equipment. The new municipalities should be given priority.
iv) The GoU/UNRA should mobilize sufficient funds for full compensation of the PAPs for ongoing projects and construction contracts should only be signed after the land acquisition process is in final stages for future projects.

Science, Technology and Innovation

The Sector coordinates all activities and programs relating to research, science, technology and innovation. In FY2018/19, the sector budget was Ug shs 189.6 billion, of which Ug shs 35.22 billion (19%) was released and Ug shs 29.94 billion (85%) expended by 31st December 2018. Overall sector release was poor, while expenditure was good. The Ministry of Science, Technology and Innovations (MoSTI), Kiira Motors Corporation (KMC), Uganda Industrial Research Institute (UIRI), and Presidential Initiative on Banana Industrial Development (PIBID) had good release performance, whereas Uganda National Council for Science and Technology (UNCST) performed poorly at 2.8%.

Overall performance

The half year performance was fair (65.6%). Most of the recurrent sub-programmes especially those under Finance and Administration Programme (MoSTI) exhibited good performance, while the development components performed poorly. This is attributed to the fact that some programmes did not realize the development budgets, late release of funds and delayed initiation of procurements. At programme level, the best performing was Finance, Administration and Support Services (86.23%) under MoSTI, while Science, Research and Development performed poorly (35.28%) across the sector. The other programmes ranged between fair to good (53% and 78%).

Highlights of Sector Performance

The Ministry of Science, Technology and Innovation: The MoSTI is charged with the implementation of four programmes and they are: Science, Technology, and Innovation (STI) Regulation; Science, Research and Development; Technoprenuership; and Finance, Administration and Support Services.

STI Regulation Programme: Overall performance was good at 74.51%. Sensitization and awareness campaigns on ST&I regulation in the sub-regions of Rwenzori, Acholi, Bunyoro, and West Nile were conducted. Collaboration with bio-scientists and bio-innovators in Iran were initiated, and engagements with National Agricultural Research Organization (NARO) in Namulonge and Zonal Agricultural Research Institutes (ZARDIs) in the North and Bunyoro were undertaken.

Science, Research and Development Programme: The performance was poor at 35.28%. During the Parliamentary Week from 13^{th}-19^{th} January 2019, the MoSTI was able to profile some of the local innovations and technologies generated. Also, partnerships with European Union (EU) for funding of researchers under LEAP-AGRI arrangement; the UK Chief Advisor on Science and Technology, and other UK universities for possible collaborations were finalized. Under the Innovations and Intellectual Property Management sub-programme, awareness materials for; patents, trademarks, industrial designs, utility models, trade secrets, techno-vations and traditional knowledge were developed.

Uganda National Council for Science and Technology: This subvention registered some successes despite its development budget for FY 2018/19 not being approved by Parliament. A total of 17 scientists that benefited from the Innovations Fund during FY 2017/18 had started execution of their projects and were at varying levels of implementation. For example, Forest Fruit Foods in Bushenyi, Bugarama Super wine in Sheema, and Maritus wine in Bweyogerere, purchased holding tanks and assorted wine and juice making equipment and were in the process of obtaining product certification from UNBS.

In addition, the Seri-Culture Project in Sheema District had established a 30-acre plantation of mulberry for feeding the silk larvae. However, it was noted that the plantation was not well maintained as zero resources were released during the period under review. The study on development of indigenous microbial mosquito larval pathogens for malaria vector control had progressed as scheduled. However, lack of additional resources was making the initial investment in the research wasteful.

Among the successes registered by the **Kiira Motor's Corporation (KMC)** subvention was the extension of water and electricity to the proposed site for construction of the automotive assembly plant at the Jinja Industrial Park. The MoU between KMC and the Uganda Peoples' Defence Forces Engineering Brigade was signed and mobilization and deployment of equipment was ongoing. By 31^{st} January 2019, opening of the site (land) had started. Additionally, procurement of electric bus kits and charging stations was ongoing, and the feasibility study for Vehicle Assembly and Technology Transfer Partnership for the Kiira Vehicle Plant in Uganda was completed, and training of eight staff in various technical fields was ongoing. Despite the achievements, the project was behind schedule.

Presidential Initiative on Banana Industrial Development (PIBID): The PIBID budget for FY2018/19 was not appropriated by Parliament. However, a re-allocation of Ug shs 1.109 billion was made to maintain basic operations of the agency. The PIBID registered progress with most of the civil works; installation of a weighing bridge, furnishing of the laboratory and administration blocks, completion of external works, and installation of equipment owing to retained funds brought forward from the previous FY were completed. Research and development activities were ongoing including improvement of the sensory taste of the bakery and confectionary products.

There was no progress on the process of transitioning from a project to a Banana Industrial Research and Development Centre (BIRDC) pending issuance of a Certificate of Financial Implication (CFI). The agency was accumulating domestic arrears on wages, NSSF contributions and gratuity among others.

Science Techno-prenuership programme: The performance was rated good (78.12%). Achievements were made as spinoffs, and start up technology enterprises were identified and profiled. Sensitizations on technology enterprise development were conducted in Kyenjojo, Kyegegwa, Kamwenge, Kabarole, Kasese, Ntoroko, Bundibugyo and Bunyangabo districts. The ST&I partnership with Massachusetts Institute of Technology (MIT) was established. In addition, a consultation programme to identify models of enterprises and opportunities for technology enterprise development were conducted with LGs in Eastern region (Katakwi, Kaberamaido, Soroti and Amuria districts).

Finance, Administration and Support Services Programme: The performance was good (86.23%). Both the recurrent and development sub-programmes exhibited good performance as most of the planned activities were executed. A total of 42 technical staff and 64 common cadres were recruited and deployed to the respective departments while the drafting of the sector development plan was on-going. Under the retooling project of Institutional Support to MoSTI, two vehicles, assorted furniture, and ICT equipment and software were procured for the Ministry. Further still, salaries, wages, allowance and rent were paid. The good performance under this programme largely hinged on existing obligations such as salaries and rent that did not require strenuous procurement processes.

Uganda Industrial Research Institute: Industrial Research Programme: The performance was fair (53.7%). Construction of the Machining and Skilling Centre (MMSC) at the Kampala Industrial and Business Park - Namanve with a US$30 million grant from the People's Republic of China was at 60% physical progress. The structures were substantially complete awaiting final finishes. However, non-availability of counterpart funding as per the MoU is likely to derail the recruitment, training of instructors and equipping of the facilities.

Certification of three potato products namely; salted, chilly and vinegar flavored crisps under the *Emondi* brand were initiated and the quality mark from UNBS was expected by end of the third quarter. The research on bamboo processing (toothpick making and other products) was ongoing in Kabale District.

The UIRI conducted trainings for various groups in areas of cosmetics production; soap, detergents, and toiletries production; value addition to fruits; and juice making. Trainings were also conducted in mechanical, electrical engineering and maintenance, carpentry, tailoring, and embroidery among others.

Renovation of the offices to host a DNA molecule analysis (ATCG) at UIRI campus was completed. Materials were purchased to complete the epoxy floor finish for the palm oil facility in Kanungu District, and installation of doors at the silk processing line facility in Sheema District was at 60%. Renovation of the peanut processing facility in Lira District was at 95%, while renovation and refurbishment of various facilities at the UIRI head offices was ongoing. Doses of Newcastle vaccines were produced and marketed across the country, and essential oil pilot plots were established with focus on *rose generium* and *lemon balm*.

Key Implementaation Challenges

i) The sector is faced with human resource and infrastructure gaps that hinder undertaking of science, technology and innovations activities.
ii) The planned outputs/outcomes under UNCST support to scientists were differed as Parliament did not approve the development budget for the agency in FY2018/19. This also affected PIBID.
iii) Lack of counterpart funding to leverage the support from donor funded research. Some external partners (such as South Africa) cancelled research collaboration with UNCST due to lack of financial commitment, the MMSC project at UIRI lacks counterpart funding as well.
iv) Duplication of roles and activities by both the MoSTI and UNCST. A number of programmes and sub-programmes under the Ministry and the UNCST are similar.
v) Intermittent and low quality power especially in Western Uganda leading to increased cost of production and loss of equipment.

PART 1: INTRODUCTION

CHAPTER 1: BACKGROUND

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 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

CHAPTER 2: METHODOLOGY

2.1 Scope

This report is based on selected programmes in the following sectors: Accountability, Agriculture, Education, Energy, Health, ICT, Industrialization, Public Sector Management (PSM), Roads, and Science, Technology and Innovation. 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; except in Agriculture, Education, Health, PSM and ICT where some recurrent costs are tracked.
- 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 intermediate outcomes.

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 were 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	**Very Good** (Most of the set targets achieved and funds absorbed)
70%-89%	**Good** (Some core set targets achieved and funds absorbed to 70%-89%)
50%- 69%	**Fair** (Few targets achieved and funds absorption is 50%-69%)
Less than 50%	**Poor** (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 quarterly workplans and targets for some programmes/projects/outputs.

- Lack of disaggregated financial information for some outputs which might have affected the overall weighted scores and performance.
- Inadequate information on resource use against targets in LGs due to poor planning and reporting following the introduction of the Programme Based Budgeting (PBB). Reporting is mainly focused on a few high level indicators, and not comprehensively on the entire resource that is disbursed to the local governments.
- Inadequate sampling of beneficiaries due to limited field time, given the large number of programmes monitored.
- Some project implementers did not have up-to-date information on donor releases, so information as reported in the progress reports for such projects was relied upon.
- A number of beneficiaries had little information on scope of works, project costs, contract periods particularly on projects contracted and implemented by some Votes.

2.4 Structure of the Report

The report is arranged into three parts with a total of 15 chapters. Part one covers the two chapters of introduction and methodology; Part two gives financial performance in central government; while Part three is on physical performance in the 10 sectors monitored. Chapter 3 gives the financial performance of the central government. Physical performance of the sectors of Accountability, Agriculture, Education, Energy, Health, ICT, Industrialization, Public Sector Management, Roads, and Science, Technology and Innovation cover chapters 4-13 respectively. Chapter 14 gives the conclusion, while chapter 15 has recommendations.

PART 2: FINANCIAL PERFORMANCE

CHAPTER 3: FINANCIAL PERFORMANCE OF CENTRAL GOVERNMENT

3.1 Introduction

This chapter discusses the overall semi-annual financial performance of the Government of Uganda (GoU) Budget for the FY 2018/19 and subsequently reviews the detailed budget performance of the 10 priority sectors of; Accountability, Agriculture, Education, Energy, Health, and Information & Communication Technology. Others include Trade and Industry, Public Sector Management, Water and Environment, and Works and Transport.

3.2 Scope

Analysis for the 10 priority sectors was based on the release and expenditures for sector votes that are on the Integrated Financial Management System (IFMS).The Budget Operations Table (BOT) of Ministry of Finance, Planning and Economic Development (MFPED) for the FY2018/19 was reviewed to triangulate the IFMS budget and release/warrants figures.

Votes whose expenditures are not on the IFMS that include Uganda Revenue Authority (URA) were assessed on their budget and release performance and assumed 100% performance at expenditure level.

The detailed analysis excluded external financing and Appropriations in Aid (AIA) as they are not on the IFMS.

3.3 Overall Financial Performance

The overall GoU approved budget for the FY2018/19 was Ug shs 32.702 trillion including external financing, appropriation in aid (AIA), arrears and debt. The budget was revised to Ug shs 33.721 trillion on account of a supplementary and virement of Ug shs 1.016 trillion and 2.539 billion respectively. The GoU approved budget excluding external financing, AIA and arrears is Ug shs 23.904 trillion of which, the allocation to Ministries, Departments, Agencies and Local Governments (MDA and LGs) excluding debt and AIA was Ug shs 14.818 trillion (46% of the GOU approved budget) and was revised to Ug shs 15.564 trillion (46% of the revised budget).

The GoU release performance to the MDAand LGs as at 31st December 2018 was Ug shs 8,821 bn (60%) of the approved allocated budget to MDALGs (Ug 14,817billion) of which 79% (Ug shs 6,955billion) was absorbed by 31st December 2018.

The overall release and expenditure performance of the MDAs and LGs, excluding debt, AIA and external financing is shown in table 3.1.

Table 3.1: MDA &LGs GoU Budget and Performance (Ug shs) as at 31st December 2018

MDA&LGs	Approved Budget	Revised Budget	Release	Expenditure	% of Budget Released	%ge of Release Spent
Wage	4,244,426,149,799	4,278,712,762,234	2,137,865,870,374	1,582,020,744,077	50	74
N/Wage	5,309,088,958,014	5,756,125,000,522	3,245,670,124,438	2,726,362,904,528	61	84
Dev	5,264,448,236,509	5,529,931,600,140	3,437,375,720,995	2,646,779,305,166	65	77
Total	14,817,963,344,322	15,564,769,362,897	8,820,911,715,807	6,955,162,953,771	60	79

Source: IFMS[3], Approved Estimates of Revenue and Expenditure FY2018/19 and BOT[4]

3.4 Financial Performance of 10 Priority Sectors, KCCA and LGs

The approved budgets of 70% of the priority sectors were revised as at 31st December, 2018. The sectors with revised budgets were: Education, Energy, Health, Public Sector Management and Accountability, Works and Transport, and Trade and Industry.

The development budget for the Energy Sector experienced the highest revision in value of Ug shs 62.769bn (11% of sector development budget). This was under Vote 17 Ministry of Energy and Mineral Development (MEMD), in respect of, counterpart funding for the Energy for Rural Transformation Phase III (ERT III) project 1428, and Isimba Hydro Power Project 1143 for completion of other structures, project 1355 Strengthening the Development and Production Phases of Oil and Gas Sector for purchase of machinery and equipment (Ug shs 17bn).

Under PSM, Ministry of Local Government (MoLG) had a supplementary of Ug shs 24.860bn representing 26% of the sector approved development budget, this was for project 1307 Support to Ministry of Local Government-non-residential buildings.

The Education Sector supplementary budget for development was Ug shs 23.8540billion representing 22% of the sector approved development budget. This was for Vote 013 Ministry of Education and Sports (MoES) - Project 1273 Support to Higher Education Science and Technology Ug shs 13.598bn- for settlement of tax obligations. Ug shs 10.256 bn was for the universities of; Makerere (Ug shs 5.577billion), Lira (Ug shs 0.76 billion), Kabale (Ug shs 0.80billion) and Soroti (Ug shs 3.118billion) for the completion of non-residential buildings.

Other development budget revisions were under; Accountability Sector,-Vote 008 Ministry of Finance, Planning and Economic Development (MFPED) Ug shs 46.684billion, Vote 141 Uganda Revenue Authority (URA) Ug shs 0.930billion. and Vote 310 Uganda Investment Authority (UIA) Ug shs .511billion. Health Sector-Vote 014 Ministry of Health (MoH) Ug shs 3.564billion (3.5% of sector approved development budget), and Works and Transport- Vote 16

[3] Integrated Financial Management System

[4] Budget operations Table FY 2018/19

Ministry of Works and Transport Ug shs 6billion (less than 1% of the sector development budget).

Under the recurrent expenditures, supplementary budgets were registered under; Education Sector towards, Vote 128 Uganda National Examinations Board (UNEB) Ug shs 1.200billion, Vote 149 Gulu University - Ug shs 0.364billion, and Vote 307 Kabale University - Ug shs 0.458billion. Others were PSM- Vote 003 Office of Prime Minister - Ug shs .0467billion, and Vote 011 MoLG - Ug shs 4.432billion.

Overall, 60% of the approved budgets for MDAs and LGs was released by 31st December, 2018 and 79% was absorbed. However, for the priority sectors monitored for half year performance including LGs and KCCA, the Water and Environment sector realized the highest release-68% of the approved budget and achieved the highest absorption of 94%.

The overall GoU financial performance for the 10 priority sectors, LGs and KCCA is shown in table 3.2.

Table 3.2: Half Year Budget Performance for Selected Sectors, LGs and KCCA at 31st December, 2018

Sector	Approved Budget	Revised Budget	Release Ug shs	Expenditure	%ge of budget Released	%ge of Budget Spent
Accountability	924,253,064,230	972,277,922,470	512,241,487,900	430,997,968,012	55	84
Agriculture	558,153,715,065	558,153,715,065	354,425,511,295	231,017,311,930	64	65
Education	792,896,953,463	818,090,586,292	492,251,964,582	360,005,720,641	62	73
Health	689,413,353,277	692,978,140,827	398,007,625,668	318,978,835,008	58	80
Energy	564,657,627,930	609,797,627,930	357,345,785,878	277,867,120,182	63	78
Information and Communications Technology	66,851,095,114	66,851,095,114	40,355,366,771	13,543,208,798	60	34
Trade, Industry and Cooperatives	123,549,084,073	128,549,084,073	91,806,121,364	86,508,903,077	74	94
Public Sector Management	286,614,152,453	316,373,293,453	161,901,532,694	105,777,786,818	56	65
Works and Transport	2,709,404,337,459	2,715,404,337,459	1,685,222,843,297	1,552,681,880,529	62	92

Sector	Approved Budget	Revised Budget	Release Ug shs	Expenditure	%ge of budget Released	%ge of Budget Spent
Water and Environment	380,959,267,719	380,959,267,719	257,920,189,409	242,502,196,245	68	94
Local Governments	3,143,089,938,991	3,143,089,938,991	1,616,270,902,714	1,616,270,902,714	51	100
KCCA	162,646,344,307	162,646,344,307	105,863,079,115	81,324,570,773	65	77

Source: IFMS, Approved Estimates of Revenue and Expenditure FY2018/19 and BOT

3.4.1 Accountability Sector

The GoU approved budget for the Accountability Sector (excluding LGs and KCCA) for the FY 2018/19 was Ug shs 924.253billion (excluding treasury operations). The sector budget was revised to Ug shs 972.277billion through a supplementary budget of Ug shs 46.684billion, representing 5% of the sector approved budget.

39% (Ug shs 18.913billion) of the supplementary budget was for development expenditure, and this was in respect of; Project 54-Support to MFPED (Ug shs 17.473billion), Project 653-Support to URA projects (Ug shs 0.93billion) and Project 994 -Development of Industrial Parks (Ug shs 0.510billion). These were under the Votes; 008 MFPED, 141 URA and 310 UIA respectively.

61% of the supplementary budget was for recurrent expenditure under votes; 141 URA (Ug shs 17.357 billion), 131 Auditor General-statutory (Ug shs 5 billion), 008 MFPED (Ug shs 4.239 billion), 103 Inspectorate of Government (IG) Ug shs 1.165 billion.

The overall release for the sector was 55% (Ug shs 512 billion) and spent 84% (Ug shs 430.997billion). Absorption for the development budget was 68% (Ug shs 59.4billion) which was lower than 76% (Ug shs 82.623billion) and 91% (Ug shs 288.689billion) registered under wage and non-wage respectively.

Although the sector releases were as planned i.e 50% wage, 56% non-wage and 60% development, the absorptions were less than 100%, pointing to unsettled salaries under wages, among others.

The detailed budget performance for the sector votes on the IFMS is shown in Table 3.3.

3.4.2 Agriculture Sector

The GoU approved budget for the Agriculture Sector for the FY 2018/19 was Ug shs 558.154billion. The overall release for the sector was 64% (Ug shs 354.425billion) and 65% (Ug shs 231.017billion) was absorbed by 31st December 2018. Absorption for the development budget was 56% (Ug shs 136.110billion) which was lower than 81% (Ug shs 16.34billion) and 85% (Ug shs 78.563billion) registered under wage and non-wage respectively.

The highest release performance by value was under Vote 152 NAADS (Ug shs 160billion), although by percentage, highest performance was under Vote 155 Cotton Development Organization 98% (Ug shs 4.885billion). Vote 160 Uganda Coffee Development Authority registered the highest absorption at Ug shs 57.898billion (89%).

The sector did not register any supplementary over the half year period. The detailed budget performance for the sector votes on the IFMS is shown in table 3.4.

3.4.3 Education and Sports Sector

The GoU approved budget for the Education and Sports Sector for the FY 2018/19 was Ug shs 792.896billion of which, Ug shs 492.251billion (62%) was released and 73% (Ug shs 360.006billion) expended by 31st December, 2018.

The sector budget was revised to Ug shs 818.090 billion through a supplementary budget of Ug shs 25.193billion representing 3% of the approved budget. The respective votes whose development budgets were revised included, universities of; Makerere-Ug shs 5.577billion, Lira-Ug shs 0.76billion, Kabale-Ug shs 0.800billion towards non-residential buildings and Soroti-Ug shs- 3.118billion for machinery and equipment. Others included, Ug shs 13.598billion for; MoES towards Project 1273 Support to Higher Education, Project 1378 Support to the Implementation of Skilling Uganda Strategy, Project 1457 Improvement of Muni & Kaliro NTCS and Project 1432 OFID Funded Vocational Project Phase II. The votes whose recurrent budgets were revised included; Vote 128 Uganda National Examination Board (Ug shs 1.200billion), Vote 149 Gulu University (Ug shs 0.364billion), and Vote 307 Kabale University (Ug sh 0.458billion).

Highest absorption of 97% (Ug shs 51.768billion) was registered under Vote 128 UNEB.

The detailed budget performance for the sector votes on the IFMS is shown in table 3.5.

3.4.4 Energy Sector

The GoU approved budget for the Energy Sector for the FY 2018/19 was Ug shs 564.657billion. The sector budget was revised to Ug shs 627.426billion through a supplementary budget of Ug shs 62.769billion (representing 11% of approved budget) in respect of Vote 017 Ministry of Energy and Mineral Development (MEMD) - Project 1428 Energy for Rural Transformation Phase III (Ug shs 30.640billion), and Project 1143 Isimba HPP (Ug shs 14.5billion), as counterpart funding and other structures respectively, and project 1355 Strengthening the Development and Production Phases of Oil and Gas Sector for purchase of machinery and equipment (Ug shs 17billion).

The sector realized a release of Ug shs 357.345 billion (63%), and 78% (Ug shs 277.867billion) was spent by 31st December, 2018. The highest performance release 67% (282.25billion) and absorption 89% (Ug shs 250.907billion) was registered under Vote 17 MEMD.

The detailed budget performance for the sector votes on the IFMS is shown in table 3.6.

3.4.5 Health Sector

The GoU approved budget for the Health Sector for the FY 2018/19 was Ug shs 689.413billion of which, Ug shs 398 billion (58%) was released, and 80% (Ug shs 318.978billion) expended by 31st December, 2018.

The sector budget was revised to Ug shs 692.978billion on account of a supplementary budget of Ug shs 3.565billion (representing 1% of the sector approved budget) towards, Project 1027 Institutional Support to MoH for the construction of residential and non-residential houses.

Vote 116 National Medical Stores (NMS) had the highest release at Ug shs 168.290billion (61%) and absorption of 96% (Ug shs 161.606billion). The least absorption of 46% (Ug shs 1.828billion) was under Vote 304 Uganda Virus Research Institute (UVRI).

The detailed budget performance for the sector votes on the IFMS is shown in table 3.7.

3.4.6 Water and Environment Sector

The GoU approved budget for the Water and Environment Sector for the FY 2018/19 is Ug shs 380.959billion

The overall release for the sector was 68% (Ug shs 257.920billion) and 94% (Ug shs 242.502billion) was absorbed by 31st December 2018. Absorption for the development budget was 96.7% (Ug shs 222.268billion) which was higher than 73.85% (Ug shs 9.596billion) and 69.85% (Ug shs 10.636billion) registered under wage and non-wage respectively.

The detailed budget performance for the sector votes on the IFMS is shown in table 3.8.

3.4.7 Information and Communications Technology and National Guidance Sector

The GoU approved budget for the ICT and National Guidance sector for the FY 2018/19 is Ug shs 66.851billion. The overall release for the sector as at 31st December 2018 was Ug shs 40.355billion (60% of approved budget) and 34% (Ug shs 13.543billion) was spent in the period.

Absorption for the development budget was 24% (Ug shs 2.404billion) which was lower than 28% (Ug shs 6.793billion), and 69% (Ug shs 4.346billion) registered under non-wage and wage respectively.

Overall the financial performance registered by the sector was 34%, which was much lower than 100% expected absorption target performance for the half year. This points to delays in implementation of planned activities under all categories of wage, non-wage and development budget.

The detailed budget performance for the sector votes on the IFMS is shown in table 3.9.

3.4.8 Works and Transport Sector

The GoU approved budget for the Works and Transport Sector for the FY 2018/19 was Ug shs 2,709billion and, was however, revised to Ug shs 2,715billion. The revision was on account of a supplementary budget of Ug shs 6billion towards development of Kabaale Airport. The sector realized 62% (1,685billion) release and 92.14% (1,552billion) was absorbed by 31st December, 2018.

The detailed budget performance for the sector votes on the IFMS is shown in table 3.10.

3.4.9 Public Sector Management

The GoU approved budget for Public Sector Management for the FY 2018/19 was Ug shs 286.614billion and, revised to Ug shs 316.373billion on account of a supplementary budget of Ug shs 29.759billion.

The revision to the budget was for expenditure under the development budget (Ug shs 24billion) and recurrent budget (Ug shs 4.898billion) under Vote 11 MoLG- Project 1307 Support to MoLG and transfers to other government units.

The sector realized Ug shs 161.901billion (56%) of the budget, and 65% (Ug shs 105.77billion) was spent. The highest release performance in value and percentage was under Vote 11 MoLG, while the highest absorption was under Vote 21 Ministry of East African Affairs.

The sector wage absorption was 47% and, although there were no wage expenditures reported under Vote 108 National Planning Authority (NPA) this performance was poor pointing to low implementation of planned activities for the wage budget.

The detailed budget performance for the sector votes on the IFMS is shown in table 3.11.

3.4.10 Trade, Industry and Cooperatives Sector

The GoU approved budget for Trade and Industry for the FY 2018/19 was Ug shs 123.549billion, and revised to Ug shs 128.549billion. The supplementary budget was Ug shs 5 billion under Vote 15 Ministry of Trade, Industry and Cooperatives for compensation to 3rd parties.

The sector realized a release of Ug shs 91.80billion (74%) and spent Ug shs 86.508billion (94%) registering a very good performance. The expenditure performance was fairly consistent with the release performance, for example 50% of wage budget was released and 83% absorbed and 90% of the development release was absorbed.

The detailed budget performance for the sector votes on the IFMS is shown in table 3.12.

3.4.11 Local Governments (LG) and Kampala Capital City Authority (KCCA)

The GoU approved budget for the LGs (direct transfers)[5] for the FY 2018/19 was Ug shs 3,143billion. The LGs realized Ug shs 1,616 billion (51%) and absorbed 100% by 31st December, 2018. KCCA had an approved budget of Ug shs 162.646 billion, of which Ug shs 105.863billion was released and Ug shs 81.324 billion absorbed by 31st December, 2018.

The detailed budget performance for the LGs and KCCA is included in table 3.1.

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[5] This excludes transfers to LGs that are not direct but through other Central Government votes, e.g. Youth Livelihood Fund, Uganda Women Empowerment Project fund, and Road Fund channeled through MGLSD and URF respectively.

3.5 Overall Conclusion

The GoU achieved at least 60% overall release of funds by 31st December, 2018 (50%, 61% and 65% for wage, non-wage and development respectively) against a target of 50%. The timeliness of release of funds improved especially in quarter two. The GoU approved budgets for 70% of the priority sectors, KCCA and LGs were revised as at 31st December, 2108. The highest revision of Ug shs 62.769billion was registered under the Energy and Mineral Development Sector, this was followed by the Accountability Sector at Ug shs 46.684billion. Other sectors that registered supplementary budgets included; Education at Ug shs 25.193billion (representing 3% of the sector budget), Health at Ug shs 3.565billion, Works and Transport Ug shs 6 billion, Public Sector Management at Ug shs 29.759billion, and Trade and Industry sector at Ug shs 5billion.

The lowest release of 55% of the approved budget was under the Accountability Sector and the highest 74% under Trade and Industry. Inspite of the good release performance, low absorption (34%) was registered under ICT, and although PSM registered overall 65% absorption, the wage absorption was only 47%.

The highest sector absorption at 94% was registered under Water and Environment and the highest vote absorption was 96% under Vote 116 National Medical Stores from the Health Sector.

The LGs realized Ug shs 1,616billion (51%) and absorbed 100% by 31st December, 2018, KCCA realized Ug shs 105.863billion (65% of the approved budget) and absorbed 77%.

Key Challenges

1) The MDA and LGs continue to exhibit challenges of poor planning and allocation of funds under both development and recurrent budgets. This is deduced from the rate of absorption of funds under for example wages, for the half year performance 47% expenditure was achieved under PSM (from the expected 100%).
2) The supplementary budget of 11% (Ug shs 62.769billion) of the development budget under the Energy Sector and Ug shs 17.473billion under the Vote 008MFPED points to funds allocation challenges. These were foreseeable as they were in respect of resettlement of persons and non-residential buildings respectively.

Recommendations

1) The MFPED Budget Directorate should strengthen the analysis of sector budget submissions (Budget Framework Papers, and Budgets) for any lapses in the estimates and allocations made.

2) The MFPED Budget Directorate, Tax Policy Department and URA should step up efforts to monitor revenue performance with the aim of improving revenue collections for budget allocations.

3) The MFPED Budget Directorate should reject sector plans that are not aligned to the second National Development Plan (NDP II) in order to address some of the funding pressures that lead to supplementary budgets.

3.3: Accountability Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug Shs)Ug shs		Release (Ug Shs)Performance		Expenditure Performance Ug shs		%ge of[6] Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
008	MFPED	314,960,636,922	65,860,517,476	165,540,705,074	41,890,127,125	134,019,197,492	31,671,642,922	52.6	63.6	81.0	75
103	Inspectorate of Government (IG)-Statutory	39,213,783,429	13,593,212,651	23,712,105,178	11,072,830,538	16,912,684,369	348,440,219	60.5	81.5	71.3	3.1
112	Ethics and Integrity	4,941,502,262	210,596,691	2,319,012,279	157,947,518	1,025,037,645	157,947,518	46.9	75.0	44.2	100
129	Financial Intelligence Authority	12,034,573,634	465,000,000	7,620,516,405	395,375,000	5,552,099,015	224,641,800	63.3	85.0	72.9	56.8
131	Auditor General-Statutory	51,813,949,363	3,975,509,736	29,259,200,458	3,327,609,052	22,981,991,355	186,973,576	56.5	83.7	78.5	5.6
141	Uganda Revenue Authority	297,288,941,772	34,639,695,827	164,981,740,768	16,902,423,800	164,981,740,768	16,902,423,800	55.5	48.8	100.0	100

Vote	Vote Description	Approved Budget (Ug Shs)Ug shs		Release (Ug Shs)Performance		Expenditure Performance Ug shs		%ge of[6] Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
143	Uganda Bureau of Statistics	34,010,140,901	15,409,485,946	18,391,723,609	8,110,075,998	16,809,235,404	7,234,859,671	54.1	52.6	91.4	89.2
153	PPDA	13,857,777,620	10,994,000,000	7,076,046,073	4,976,392,500	5,070,747,334	2,679,924,250	51.1	45.3	71.7	53.9
310	Uganda Investment Authority	10,609,531,000	374,209,000	5,839,880,656	667,775,870	3,960,426,470	277,954,404	55.0	178.4	67.8	41.6
	Total	**778,730,836,903**	**145,522,227,327**	**424,740,930,499**	**87,500,557,400**	**371,313,159,852**	**59,684,808,160**	54.5	60.1	87.4	68.2

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19, and BOT2018/19

Table 3.4: Agriculture Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug Shs)		Release (Ug shs) Performance		Expenditure (Ug shs) Performance		%ge of Budget released		%ge of release spent	
		Recurrent(Wage Nonwage)	Devt	Recurrent(Wage Nonwage)	Devt	Recurrent(Wage Nonwage)	Devt	Rec	Dev	Rec	Dev
010	MAAIF	48,217,026,529	99,334,583,324	25,213,723,990	58,255,209,096	19,418,997,118	41,863,896,711	52.3	58.6	77.0	71.9

Vote	Vote Description	Approved Budget (Ug Shs)		Release (Ug shs) Performance		Expenditure (Ug shs) Performance		%ge of Budget released		%ge of release spent	
		Recurrent(Wage Nonwage)	Devt	Recurrent(Wage Nonwage)	Devt	Recurrent(Wage Nonwage)	Devt	Rec	Dev	Rec	Dev
121	Dairy Development Authority	3,692,977,287	2,042,434,987	1,921,604,270	1,483,902,284	1,740,113,750	674,076,526	52.0	72.7	90.6	45.4
125	National Animal Genetic Res. Centre and Data Bank	3,632,919,536	7,364,216,572	2,013,459,768	5,166,192,650	1,574,728,486	3,096,219,492	55.4	70.2	78.2	59.9
142	National Agricultural Research Organization	29,684,968,613	32,782,993,562	14,903,785,405	14,872,001,290	12,319,024,334	7,371,432,459	50.2	45.4	82.7	49.6
152	NAADS Secretariat	5,137,157,378	244,851,327,598	2,755,732,189	158,072,483,753	1,686,572,979	81,296,518,023	53.6	64.6	61.2	51.4
155	Cotton Development Organization	583,597,653	4,411,000,000	519,032,903	4,366,000,000	268,715,183	1,808,657,145	88.9	99.0	51.8	41.4
160	Uganda Coffee Development Authority	76,418,512,026	-	64,882,383,697	-	57,898,359,724	-	84.9	-	89.2	-
	Total	**167,367,159,022**	**390,786,556,043**	**112,209,722,222**	**242,215,789,073**	**94,906,511,574**	**136,110,800,356**	**67.0**	**62.0**	**84.6**	**56.2**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19and BOT2018/19

Table 3.5: Education Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug shs)		Release (Ug shs) Performance		Expenditure (Ug shs) Performance		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
013	Ministry of Education and Sports	204,914,734,006	67,571,280,039	115,076,596,842	60,164,791,385	88,271,052,061	29,178,795,052	56.2	89.0	76.7	48.5
111	Busitema University	30,658,825,886	1,120,730,327	16,360,850,759	894,990,024	11,786,384,030	141,522,819	53.4	79.9	72.0	15.8
127	Muni University	10,174,476,843	4,599,048,684	5,363,961,488	1,659,909,084	3,572,688,710	400,433,226	52.7	36.1	66.6	24.1
128	UNEB	57,429,707,578	4,500,000,000	49,303,968,050	4,241,250,000	47,526,855,465	4,241,250,000	85.9	94.3	96.4	100.0
132	Education Service Commission	7,957,909,275	377,387,030	4,777,486,994	377,387,030	3,025,412,125	79,355,243	60.0	100.0	63.3	21.0
136	Makerere University	180,585,610,334	10,409,340,686	101,343,330,376	10,984,669,984	79,594,597,544	9,434,456,986	56.1	105.5	78.5	85.9
137	Mbarara University	31,495,354,598	3,598,768,714	15,747,677,299	1,762,164,943	12,897,187,258	1,084,120,443	50.0	49.0	81.9	61.5
138	Makerere University Business School	29,692,265,872	2,800,000,000	15,017,854,853	2,639,000,000	11,724,294,750	2,638,999,999	50.6	94.3	78.1	100.0
139	Kyambogo										

Vote	Vote Description	Approved Budget (Ug shs)		Release (Ug shs) Performance		Expenditure (Ug shs) Performance		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
	University	51,180,081,959	891,414,379	25,748,816,415	849,850,785	19,706,376,786	177,364,130	50.3	95.3	76.5	20.9
140	Uganda Management Institute	5,776,956,210	1,500,000,000	2,888,478,105	634,687,500	2,428,130,912	85,094,173	50.0	42.3	84.1	13.4
149	Gulu University	33,010,496,684	2,505,039,101	16,570,914,966	1,349,156,847	13,092,098,737	707,928,276	50.2	53.9	79.0	52.5
301	Lira Univesity	12,148,173,597	1,539,690,551	8,074,988,597	1,453,440,551	3,652,972,801	1,433,868,000	66.5	94.4	45.2	98.7
303	NCDC	7,129,201,458	-	4,020,151,368	-	2,699,914,583	-	56.4	-	67.2	-
307	Kabale Univesity	16,545,286,689	600,000,000	12,172,892,062	1,062,876,127	6,668,437,190	438,139,503	73.6	177.1	54.8	41.2
308	Soroti Univesity	6,185,172,963	6,000,000,000	5,372,827,382	6,336,994,769	2,272,342,942	1,045,646,897	86.9	105.6	42.3	16.5
	Total	**684,884,253,952**	**108,012,699,511**	**397,840,795,555**	**94,411,169,028**	**308,918,745,894**	**51,086,974,747**	**58.1**	**87.4**	**77.6**	**54.1**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19 and BOT2018/19

Table 3.6: Energy Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug shs)		Release ((Ug shs)) Performance		Expenditure ((Ug shs)) Performance		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
017	Ministry of Energy and Mineral Development	92,254,808,561	325,226,819,369	46,881,118,514	235,371,346,252	43,578,995,045	207,328,366,766	50.8	72.4	93.0	88.1
123	Rural Electrification Agency (REA)	-	101,976,000,000	-	51,778,314,000	-	17,486,197,538	-	50.8	-	33.8
311	Uganda National Oil Company (UNOC)	15,200,000,000	-	8,515,696,929	-	4,371,118,770	-	56.0	-	51.3	-
312	Petroleum Authority of Uganda (PAU)	30,000,000,000	-	14,799,310,184	-	5,102,442,063	-	49.3	-	34.5	-
	Total	**137,454,808,561**	**427,202,819,369**	**70,196,125,626**	**287,149,660,252**	**53,052,555,878**	**224,814,564,304**	**51.1**	**67.2**	**75.6**	**78.3**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19 and BOT2018/19

Table 3.7: Health Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug shs)		Release (Ug shs) Performance		Expenditure (Ug shs) Performance		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
014	Ministry of Health	76,289,286,411	51,748,752,577	38,781,295,978	36,942,837,489	22,885,798,846	29,742,242,007	50.8	71.4	59.0	80.5
107	Uganda AIDS Commission-Statutory	6,739,640,905	127,809,000	3,375,330,150	127,809,000	2,704,237,726	495,482	50.1	100.0	80.1	0.4
114	Uganda Cancer Institute	15,020,007,532	11,929,264,971	7,503,806,308	6,954,862,726	4,236,827,010	6,198,553,398	50.0	58.3	56.5	89.1
115	Uganda Heart Institute	9,073,592,468	4,500,000,000	4,771,830,002	2,158,486,569	3,154,948,173	924,532,900	52.6	48.0	66.1	42.8
116	National Medical Stores	276,964,466,777	-	168,290,563,226	-	161,606,038,496	-	60.8	-	96.0	-
134	Health Service Commission	6,141,409,290	263,399,681	3,070,908,767	263,399,681	1,801,137,632	205,769,680	50.0	100.0	58.7	78.1
151	Uganda Blood Transfusion Service	16,312,098,623	2,870,000,000	8,542,958,519	1,568,050,000	6,815,777,533	365,085,136	52.4	54.6	79.8	23.3

Vote	Vote Description	Approved Budget (Ug shs)		Release (Ug shs) Performance		Expenditure (Ug shs) Performance		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
	(UBTS)										
161	Mulago Hospital Complex	59,532,876,107	6,020,000,000	30,483,908,026	2,980,000,000	24,859,682,991	1,922,210,006	51.2	49.5	81.6	64.5
162	Butabika Hospital	11,243,884,564	1,808,140,579	5,861,493,265	1,158,140,579	4,558,779,022	786,471,174	52.1	64.1	77.8	67.9
304	UVRI	6,717,120,461	400,000,000	3,687,173,045	309,625,000	1,821,518,941	7,187,000	54.9	77.4	49.4	2.3
163-176	Regional Referrals Hospitals	103,966,183,686	21,745,419,645	53,667,789,861	17,507,357,477	37,362,218,094	7,019,323,761	51.6	80.5	69.6	40.1
	Total	**588,000,566,824**	**101,412,786,453**	**328,037,057,147**	**69,970,568,521**	**271,806,964,464**	**47,171,870,544**	**55.8**	**69.0**	**82.9**	**67.4**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19 and BOT2018/19

Table 3.8: Water and Environment Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug Shs)		Release (Ug Shs) Performance		Expenditure (Ug Shs) Performance		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
019	Ministry of Water and Environment	21,883,882,300	301,161,900,586	10,776,225,167	222,792,652,539	9,334,999,590	220,094,050,121	49.2	74.0	86.6	98.8
150	National Environment Management Authority	13,689,245,270	915,352,994	6,840,372,635	569,129,670	5,157,377,270	227,346,529	50.0	62.2	75.4	39.9
157	National Forestry Authority	10,889,150,687	5,884,465,094	5,645,972,792	4,633,331,190	2,622,110,062	1,381,232,141	51.8	78.7	46.4	29.8
302	UNMA	11,577,949,814	14,957,320,974	4,959,482,335	1,703,023,081	3,119,223,668	565,856,864	42.8	11.4	62.9	33.2
	Total	**58,040,228,071**	**322,919,039,648**	**28,222,053,032**	**229,698,136,545**	**20,233,710,590**	**222,268,485,655**	**48.6**	**71.1**	**71.7**	**96.8**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19 and BOT2018/19

Table 3.9: Information and Communications Technology Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug shs) Ug shs		Release (Ug shs) Performance Ug shs		Expenditure (Ug shs) Performance Ug shs		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
020	Ministry of Information & Communications Technology and National Guidance	23,072,954,770	15,222,839,682	17,165,501,385	8,165,824,192	4,416,409,730	2,123,063,510	74.4	53.6	25.7	26.0
126	National Information Technology Authority	26,175,509,393	2,379,791,269	13,202,227,471	1,821,813,723	6,722,668,605	281,066,953	50.4	76.6	50.9	15.4
	Total	**49,248,464,163**	**17,602,630,951**	**30,367,728,856**	**9,987,637,915**	**11,139,078,335**	**2,404,130,463**	**61.7**	**56.7**	**36.7**	**24.1**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19 and BOT2018/19

Table 3.10: Works and Transport Sector Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget Ug shs		Release Performance Ug shs		Expenditure Performance Ug shs		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
016	Ministry of Works and Transport	81,051,628,871	374,521,596,072	42,496,883,624	248,516,515,166	31,969,789,120	217,036,667,803	52.4	66.4	75.2	87.3
113	Uganda National Road Authority	98,613,883,513	1,612,700,205,714	49,955,579,459	1,053,308,173,720	42,117,337,788	974,810,359,473	50.7	65.3	84.3	92.5
118	Road Fund	535,647,023,289	6,870,000,000	287,810,691,328	3,135,000,000	284,945,560,385	1,802,165,960	53.7	45.6	99.0	57.5
	Total	**715,312,535,673**	**1,994,091,801,786**	**380,263,154,411**	**1,304,959,688,886**	**359,032,687,293**	**1,193,649,193,236**	**53.2**	**65.4**	**94.4**	**91.5**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19 and BOT2018/19

Table 3.11: Public Sector Management Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget (Ug shs) Ug shs		Release (Ug shs) Performance Ug shs		Expenditure (Ug shs) Performance Ug shs		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
003	Office of the Prime Minister	77,274,673,528	54,256,921,257	41,350,772,448	22,259,766,255	31,860,200,104	15,622,313,521	53.5	41.0	77.0	70.2
005	Ministry of Public Service	25,302,991,091	4,938,337,360	14,804,793,554	3,365,945,943	1,829,276,793	1,267,842,634	58.5	68.2	12.4	37.7
011	Ministry of Local Government	22,241,337,756	34,162,690,032	12,630,891,551	22,085,382,090	9,464,329,552	7,644,756,519	56.8	64.6	74.9	34.6
021	East African Community Affairs	27,894,734,987	530,400,000	23,313,448,604	491,609,500	21,801,928,073	17,115,000	83.6	92.7	93.5	3.5
108	National Planning Authority-Statutory	25,008,762,368	1,044,167,988	13,028,955,961	972,963,329	10,326,750,646	527,299,058	52.1	93.2	79.3	54.2
146	Public Service Commission	8,212,826,443	484,222,142	4,308,431,648	384,222,142	3,053,292,023	94,023,000	52.5	79.3	70.9	24.5
147	Local Government Finance	4,690,387,661	571,699,840	2,345,649,831	558,699,840	2,114,920,480	153,739,415	50.0	97.7	90.2	27.5
	Total	**190,625,713,834**	**95,988,438,619**	**111,782,943,596**	**50,118,589,098**	**80,450,697,671**	**25,327,089,147**	**58.6**	**52.2**	**72.0**	**50.5**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19 and BOT2018/19

Table 3:12 Trade and Industry Votes Budget Performance as at 31st December, 2018

Vote	Vote Description	Approved Budget Ug shs		Release Performance Ug shs		Expenditure Performance Ug shs		%ge of Budget released		%ge of release spent	
		Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec-(Wage& Nonwage)	Devt	Rec	Dev	Rec	Dev
015	Ministry of Trade, Industry and Cooperatives	70,592,108,653	28,626,568,092	65,031,915,523	12,243,530,731	63,179,621,938	11,251,223,990	92.1	42.8	97.2	91.9
154	Uganda National Bureau of Standards	11,671,661,301	9,579,748,373	5,750,825,859	7,133,927,466	4,905,958,690	6,059,362,958	49.3	74.5	85.3	84.9
306	Uganda Export Promotion Board	2,682,716,934	396,280,720	1,343,363,642	302,558,144	810,177,357	302,558,144	50.1	76.3	60.3	100.0
	Total	**84,946,486,888**	**38,602,597,185**	**72,126,105,024**	**19,680,016,341**	**68,895,757,985**	**17,613,145,092**	**85**	**50.2**	**84.3**	**86.5**

Source: IFMS December 2018, Approved Estimates of Revenue and Expenditure FY 2018/19and BOT2018/19

CHAPTER 4: ACCOUNTABILITY SECTOR

4.1 Introduction

4.1.1 Sector Objectives and Priorities

The Accountability Sector contributes to the fourth objective of the second National Development Plan (NDP II), which is to; strengthen mechanisms for quality, effective and efficient service delivery the accountability sector. The sector is concerned with the mobilization, management and fostering accountability for the utilization of public resources to facilitate the delivery of quality and equitable services.

The sector is composed of two sub-sectors of (i) Economic and Financial Management Services and (ii) Audit, these are further categorized in four thematic areas that include, Economic Management; Resource Mobilization and Allocation, Budget Execution and Accounting, and Audit and Anti-corruption.

In accordance with NDP II, the sector's objectives are to; increase equitable access to finance, increase private investments, reduce interest rates, increase the tax to GDP ratio, improve public financial management and consistency in the economic development framework, enhance public contract management and performance, increase public demand for accountability.

The sector objectives are achieved through financing undertaken through nine votes, namely: i) Vote 008 Ministry of Finance, Planning and Economic Development (MFPED) ii) Vote 103 Inspectorate of Government (IG) iii) Vote 112 Ethics and Integrity iv) Vote 129 Financial Intelligence Authority v) Vote 131 Auditor General-Statutory vi) Vote 141 Uganda Revenue Authority vii) Vote 143 Uganda Bureau of Statistics viii) Vote 153 Public Procurement and Disposal of Public Assets Authority, ix) Vote 310 Uganda Investment Authority.

4.1.2 Overall Accountability Sector GoU Financial Performance

The GoU approved budget for the Accountability Sector (excluding LGs and KCCA) for the FY 2018/19 was Ug shs 924.253billion (excluding treasury operations). The sector budget was revised to Ug shs 972.277billion through a supplementary budget of Ug shs 46.684billion, representing 5% of the sector approved budget. The overall release for the sector was 55% (Ug shs 512billion), and 84% (Ug shs 430.997billion) was spent as at 31st December, 2018. Absorption for the development budget was 68% (Ug shs 59.4billion), which was lower than 76% (Ug shs 82.623billion), and 91% (Ug shs 288.689billion) registered under wage and non-wage respectively.

4.1.3 Scope

The semi-annual monitoring for FY 2018/19 was restricted to votes and programmes whose interventions support Public Financial Management functions in the Ministries, Departments, Agencies and Local Government (MDALGS).

To this end, seven programmes/projects in three out of the nine votes (excluding KCCA, LGs and subventions) in the Accountability Sector were monitored. Monitoring focused on aspects of; the Public Procurement and Disposal of Public Assets (PPDA)-its effect to enhance public contract management and performance in government, Uganda Revenue Authority (URA)- for the effect of the innovations implemented and tax awareness initiatives to increase domestic taxes to GDP, and Ministry of Finance, Planning and Economic Development (MFPED)-for effect of the role out of the Programme Based Budgeting System (PBS) to support the alignment of sector plans to the second National Development Plan (NDP II), facilitate timely releases and planning and budgeting in MDALGs were monitored, as well the Microfinance sub-sector.

The programmes/projects selected for semi-annual monitoring focus on interventions to address mainly four of the NDP II objectives; Increase access to finance, reduce interest rates, and improve public financial management and consistency in the economic development frameworks. Annex 4.1 shows the votes and programmes monitored under the sector.

4.1.4 Limitations

1) Inadequate field time and resources to cover the entire sector votes and programmes.

4.2 Ministry of Finance Planning and Economic Development (MFPED)

4.2.1 Background

The MFPED is mandated to formulate policies that enhance stability and development; mobilize local and external financial resources for public expenditure; regulate financial management and ensure efficiency in public expenditure; Oversee national planning and strategic development initiatives for economic growth. MFPED plays a critical role in fulfilling the accountability sector's core business of economic management-macroeconomic policy, financial services, development policy and investment promotion, research and monitoring; mobilization of resources- tax policy, debt management, budget preparation, execution and monitoring and project management and Fostering accountability for the utilization of public resources-accounting policy/management, procurement policy, and internal audit

4.2.2 Performance

I **Microfinance Support Centre Limited**

Introduction

Microfinance has been an important financial instrument for reaching the low-income households in Uganda. The focus of the Microfinance sub-sector is to ensure financial inclusion of all Ugandans. In the last 10 years, the sector has been experiencing significant growth. The microfinance sub-sector is a component of the financial sector. Two providers of Microfinance services are in the category of Tier I, 2 are in Tier II and 4 Microfinance Deposit taking Institutions (MDIs) in Tier III. Additionally, Savings and Credit Co-operative Societies (SACCOs) and unregulated Micro Finance Institutions (MFIs) serve the microfinance market. These institutions are broadly captured as Tier IV institutions. Furthermore, there are commercial banks offering specific products for low-income households, and community-based organizations and groups which are operating in villages.

The Microfinance Support Centre Ltd (MSC) was established to provide financial services to the economically active poor Ugandans through SACCOs, Small and Medium Enterprises MFIs, Co-operative Unions, Producer and Marketing Co-operatives, Small and Medium Enterprises (SMEs) & Teachers' SACCOs.

Through the Government of Uganda's Rural Financial Services Strategy, the MSC attained the linchpin status of Government of Uganda (GoU) Microfinance Programmes, hence a wider role to play in financing the whole value chain and promoting the sustainability of rural financial enterprises.

The MSC executes its mandate through the implementation of five-year strategic plans, during which credit and capacity building services are extended partner organizations countrywide.

The Strategic Plan 2014-19 identified the following strategic objectives[7] that included;

- To mobilize sufficient resources so as to effectively deliver rural financial development services
- To increase loan portfolio by 10% per annum
- To maintain portfolio at risk (P.A.R) past 365 days at 5%
- To identify and fill capacity building gaps of clients
- To achieve 30 days lead time for loan processing
- Achieve interest rates below commercial lending rates
- To develop at least one product for each client segment over the next five years

The MSCL targets the provision of affordable financial services to SACCOs, Micro Finance Institutions (MFIs), Small Medium Enterprises (SMEs), and more importantly the provision of financing of agricultural chains including assets, inputs, and purchase of crop and other produce. Thus, MSC aims at reaching a mass of rural enterprises to deliver services.

In order to take services nearer to the communities, the company offers its services through 12 zonal offices across the country, with each office serving an average of 10 districts. The MSCL offers a number of products administered through its offices to the clients and these include; Agricultural loans, Environmental loans, Special interest group loans, Islamic Financing, Commercial loans, and SME loans for trade and commerce and agriculture.

The MSC addresses the NDP II objective of increase access to finance measured among others by the proportion of the population accessing financial products.

Findings

Overall, the MSC achieved 75% performance which was good; 20% of planned outputs were fully achieved, and 70% were partially achieved. Although the MSC did not achieve the targets some level of performance was registered as follows;

Credit Performance

For FY 2018/19, MSC was allocated Ug shs 4.290 billion (salaries of contract staff, social security contributions and gratuity payments, so as to support operations) to cater for operations which include conducting loan appraisals and selecting qualifying recipients, disbursing of

[7] These formed the basis of assessment of the performance of the MSCL.

affordable financing taking into account Government priorities, strengthening operational capacities of Cooperatives through continuous technical assistance and training and monitoring and reporting on the performance of the funds. As at December 2018, the company had received Ug shs 2.146 billion for Q1 & Q2. Table 4.1 shows the MSC funding as at 31st December 2018/19.

Table 4.1: Sources of funding for MSC for the FY 2018/19

	Planned FY 2018/19 (Ug Shs)	Actual Ug 2018/19(Ug shs)	%age Release Performance against target
Allocations for operations	4,290,000,000	2,146,000,000	50
Reflows/Interest	7,800,000,000	4,255,000,000	55
Islamic Finance (Fund)	0	0	0
Other income (GoU Credit funds)	15,000,000,000	7,200,000,000	48
Total Funds Available	**27,090,000,000**	**13,601,000,000**	**50**

Source: MSCL Headquarters

The MSC was also allocated Ug shs 15 billion for FY 2018/19 for credit funds and revival of cooperatives throughout the country. By end Q2, Ug shs 7.2 billion had been released by MoFPED. The MSC was able to recover Ug shs 4.255billion that formed reflows for onward lending.

Interest rates

The MSC continued to offer the lowest interest rates to its clients ranging from 12% per annum for SACCOs - Agricultural loans, 13% to SMEs, 17% for Commercial loans and 11% for teachers' SACCO. This interest rate performance was good as compared to the commercial rates that were on average 23%.

Loan Disbursement

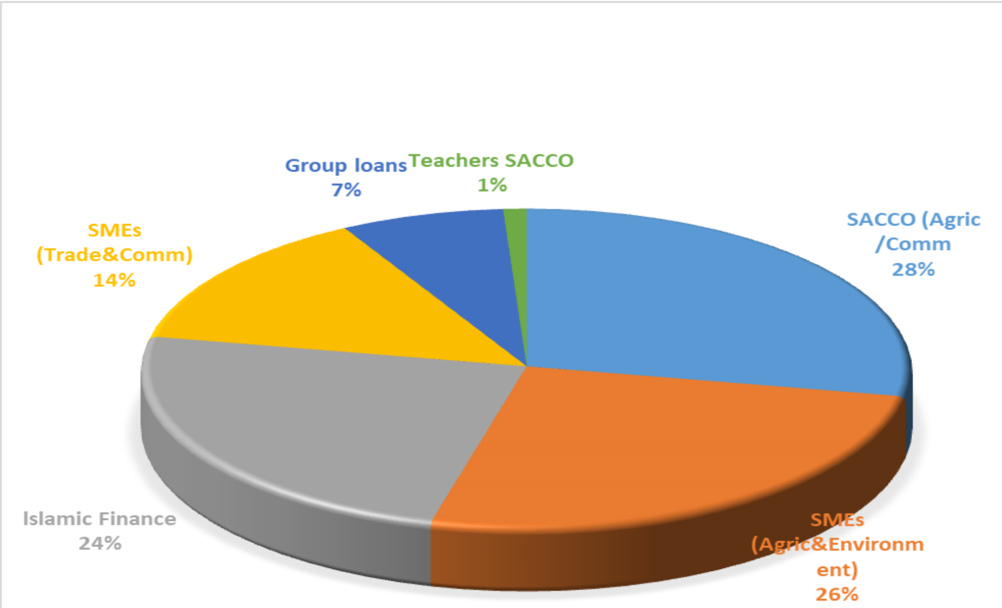
For the period ending 31st December 2018, MSC disbursed loans worth Ug shs 19.306billion compared to Ug shs 40.39billion half year performance achieved in FY2017/18, this was a decline. This performance was attributed to slow approval process of loans, and weak rating of applicants.

The MSC continued to make a deliberate effort to market all loan products to different client categories. As at 31st December 2018, the company registered a decline of 5% (Ug shs 4.3billion) in outstanding portfolio to Ug shs 86.2billion from Ug shs 90.5billion achieved at 31st December 2017. In terms of client distribution, the highest number and value of client segment reached was SACCOs and SMEs, especially those in the agricultural value chain. The teachers' loan performed poorly at 1%.

In terms of number, 233 loans were disbursed in the period, 89% (207 loans with a total value of Ug shs 12.775billion) were from conventional financing and 10% (Ug shs 5.09billion) were funded under Islamic Financing. Growth in disbursement under conventional lending was partly attributed to enhanced marketing through regional offices and collaboration with Local Governments (LGs), and community based organizations (CBOs) plus favorable loan terms extended.

Disbursement by product are shown in figure 1 and table 4.2.

Figure 1: Disbursements by client category as at 31st December, 2018



Source: MSCL Headquarters

Table 4.2: Loan Disbursement by product type Q1 & 2 FY 2018/19 (numbers and amount)

Product	Number	Amount Ug Shs
Islamic Finance	32	7,284,500,000
Teachers' Loan	6	280,000,000
Group loans	69	1,508,400,000
Commercial loan	72	6,080,000,000
Agricultural loans	54	4,654,000,000
	233	**19,306,900,000**

Source: MSCL Headquarters

Zonal Disbursements

Kampala zone with the biggest region had Ug shs 5.070billion disbursed, the highest in value of regional loans disbursed. This performance was less than the half year performance in FY 2017/18 of Ug shs 10.107billion. The poorest performing zone was Soroti that disbursed loans valued at Ug shs 178 million, although this was better than the half year performance of 2017/18 of Ug shs 57m). Details of the performance per zone is shown in table 4.3.

Table: 4.3: Analysis of Disbursements per Zone as at 31st December 2017 and 2018

Zone	FY 2017/18		FY 2018/19 (Q1 & Q2)	
	Number of loans	Amount Disbursed	Number of loans	Amount Disbursed
Arua	5	365,000,000	4	360,500,000
Gulu/Lira	21	778,000,000	19	1,231,000,000
Hoima	7	1,495,000,000	9	1,255,000,000
Jinja/Iganga	24	2,709,236,800	25	1,550,000,000
Kabale	50	2,633,900,000	32	615,000,000
Kabarole	23	4,670,000,000	22	1,729,000,000
Kampala	49	10,109,928,000	37	6,235,668,582
Masaka	45	5,498,243,607	15	870,000,000
Mbale	25	4,026,620,000	26	2,663,000,000
Mbarara	47	8,154,507,220	25	2,300,000,000
Moroto	2	57,000,000	13	360,000,000
Soroti	7	3,358,529,377	6	153,000,000
TOTAL	**305**	**43,855,965,004**	**233**	**19,322,168,582**

***Source**: MSCL headquarters and field findings*

Growth in Portfolio

The outstanding portfolio[8] as at 31st December, 2018 was Ug shs 86.2billion, which was a decline from Ug shs 91.50billion registered at the end of FY 2017/18. However performance in some of the regions improved, from the field findings those that achieved improvements included; Arua 71.9%, Jinja 88.6%, Lira 89 %, Mbale 102%, Kabale 76%, Kampala 89%, Masaka 131.7% and Mbarara 82%.

Quality of Portfolio

Portfolio at Risk (PAR)[9] more than 30 days was 21% by December 2018, compared to 18.5% in December 2017. The quality of portfolio declined and points to an increase in loan defaulting in

[8] Funds disbursed and held out in loans at given time-should be on an increasing trend

[9] Measures loan portfolio with outstanding instalments-points to risk of default

clients from the different zones. The highest on time repayment rate was 93% registered at Kabale zonal office against a target of 80%, this was on account of clients who cleared their arrears-Kigezi Highland (Ug shs 753m) and Shobore Agro (108.8), Tazit (Ug shs 40.8m). The least repayment rate registered was 11.7% in Lira zonal office, this was as a result of defaulting SME clients with significant loans, these were Braaky, Mid North and the closure of two SACCOs-Namasle and Etam.

There is need to have the improved repayment rates sustained for all the regions so as to reduce on the risk of default reflected in the P.A.R.

Growth in Clientele and Number of Loans

Under the pillar, 'Client Coverage and Product Development, there are 2 strategic objectives;

- Increase coverage of MSC services & products, and
- Enhance product development

Performance of "Increase coverage of MSC services and products"

The company intensified the engagement and support to create reference SACCOs across all the MSCs zones. The objectives were to achieve better information dissemination about MSC products and services, provide technical assistance and share good practice to support weaker SACCOs. A total of 88 districts (74%) had reference SACCOs as at 31st December 2018.

Disbursements under Islamic Financing had improved generally and performance was attributed to the growing appreciation of participatory microfinancing modes which are flexible for especially clients engaged in seasonable economic ventures. The MSC continues to spearhead the roll out of the Islamic financing modes throughout the country.

Business Development Services (BDS)

Under this, collaborative partnership arrangements is critical for leveraging both technical and financial resource and enhancing the MSC's interventions.

Business Development support was provided to 357 client institutions, reaching 2,665 individual beneficiaries, this surpassed the quarterly target of 125 client institutions. Fifty-six (56) extension teams were trained compared to ten (10) Extension teams as at end of quarter 1; the training attracted 84 individuals from seven (7) SACCOs compared to 43 individuals from ten (10) SACCOs as at end of quarter 1 FY 2018/19.

In a bid to address the issue of member education, increase the awareness of MSC services and products and further deepen its outreach, MSC recruited a Coordinator for Community Extension teams to particularly focus on developing extension team's platform

Partnerships building continues to be core to MSCs interventions, reflecting commitment to business growth in terms of clients, resource mobilization, product development and sustainability.

During the period under review, some partnerships between institutions were taken advantage of to build collaborations that would enhance inclusiveness. The MSC through its partnerships development mandate engaged fourteen (14) institutions. Among the prospective partners engaged were Uganda Registration Services Bureau (URSB), Financial Sector Deepening Uganda (FSDU), Cotton Development Organization (CDO), Uganda Water and Sanitation Network (UWASANET), World Vision, Makerere University Business School (MUBS), Honey Pride, Monitor Publications, Uganda Institute of Banking and Financial Services (UIBFS), Private Sector Foundation Uganda (PSFU), United Nations Capital Development Fund (UNCDF), and Integrated Seed Sector Development Uganda (ISSDU).

The MSC formed new and continued with partnerships which included, Engineering Solutions (ENGSOL), CARE, Heifer International, UNIDO, and Mercy Corps which was observed in the regions of Lira, Mbale and Mbarara. Partnerships with government institutions were in the pipeline and memorandums of understanding (MOUs) were yet to be signed i.e. in the districts of Kapchorwa and Arua.

Challenges

1) Groups and SACCOs are not focused around the same objective, for example agriculture, fishing, and trade. This affects ability of group/SACCO members to pay back funds borrowed.
2) The tendency of people acquiring multiple loans from financial institutions has increased loan default rates for SACCOs, hence low loan recovery that eventually affect their operations.
3) Loan defaults by client institutions especially those in the agricultural sector on account of pests and prolonged drought that led to poor yields.
4) Zones still face challenges of staffing levels, this affects efforts to support the SACCOs and groups in the management of loans resulting into poor portfolio.
5) Lack of constant monitoring and supervision given the wide geographical coverage which makes it costly especially with the growing number of village groups.

Recommendations

1) The PROFIRA through their capacity development programmes should work with the MSC to encourage SACCOs and groups to focus on given particular economic activities.
2) Ministry of Trade, Industry and Cooperatives (MoTIC) should form unions and have every SACCO register under one, in order to curb the problem of multiple borrowing.
3) The MoTIC should encourage SACCOs and groups to focus and organize around given economic activities in order to effectively benefit from government interventions that include; agricultural value additions technology, bulk irrigation schemes, improved inputs and acquisition of food storage facilities
4) The PROFIRA and District Commercial Officers should intensify capacity building activities for SACCOs and community savings and credit groups (CSCGs), and evaluate the impact on performance.

Zonal Offices Monitored

The MSC offers a number of products administered through its 12 zonal offices that include; Arua, Hoima, Jinja, Kabale, Kabarole, Kampala, Lira, Masaka, Mbale, Mbarara, Moroto and Soroti. For the semi-annual review the zonal offices of Arua, Jinja, Lira, Kampala, Kabale, Mbale, Masaka and Mbarara were visited.

The objective was to;

- Assess the performance of zonal offices, and
- Evaluate the impact of interventions by MSC on the clients served.

The products offered to clients include;

i. **SACCOs/MFIs**: This targets institutions/enterprises supporting or engaged in primary agricultural production, agro processing, marketing, trade and commercial. The loan period ranges between 2-4 years with a grace period of 6-12 month, and interest rates of 9%, 13 and 17% per annum.
ii. **Small and Medium Enterprises (SMEs):** This funds activities like agricultural production & value addition - 13%, environment conservation - 13%, essential services – education, health, tourism and solar energy - 17% and commercial activities - 17%.
iii. **Village Savings and Lending Associations (VSLAs)**: Activities funded include agricultural production & value addition - 13%, environment conservation - 13%, essential services –education, health, tourism and solar energy17% and commercial activities - 17%.
iv. **Cooperative Unions:** Activities funded include, agricultural production and value addition - 13%, agricultural marketing - 13%, acquisition of value addition machinery - 13%, and commercial activities -17%.
v. **Teachers' loans issued at 11%**
vi. **Islamic Microfinance**

(a) Arua MSC Zonal Office

Arua MSC zonal office serves 8 districts that include: Adjumani, Arua, Koboko, Maracha, Moyo, Nebbi, Yumbe and Zombo. The zonal office disbursed Ug shs 360 million. The portfolio at risk greater than 90 days was 18.5% against a target of 6%. The cumulative repayment rate was 33.0% which was below the 80% target. The zonal office was able to have a reference[10] SACCO in 4 of the 9 districts which was below the 50% target. MSC Arua signed an MOU with Honey Pride Arua to support farmers in bee keeping with modern equipment. The performance of the zone is summarized in table 4.4.1.

Table 4:4.1: Arua MSC Zonal Office Performance as at 31st December 2018

No.	Indicator	Benchmark	Annual Target	Actual FY 2017/18
1.	Value of loans disbursed during the period in (Ug shs billions)	Not according to the annual work plan		360,500,000 million
2.	Cost Vs Income ratio	Costs < 1	0.7:1	10.7:1
3.	Repayment rate (on time)	95%	80%	33.0%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	2.2billion	1.583billion
5.	Portfolio At Risk (P.A.R)>90 days (Value in Ug shs Billion)	Not> 5% of total o/s loan portfolio	6%	18.5%
6.	Increase in no of clients taking follow	Increasing from prior	No Target	2

[10] Model SACCO is expected to be supported develop for each District served

	on loans	year		
7.	Existence of reference SACCO/ District	1/District	9	4

Source: MSC Arua Zonal Office

b) Jinja MSC Zonal Office

Jinja zonal office serves 11 districts that include; Bugiri, Buyende, Iganga, Jinja, Kaliro, Kamuli, Luka, Mayuge, Namayingo, and Namutumba.

Jinja MSC zonal office disbursed Ug shs 6.235 billion which was 54% performance of the target Ug shs 11.1 billion with an outstanding loan portfolio of Ug shs 2.57billion against a target of Ug shs 2.9 billion. The cumulative repayment rate achieved was 35% against the target of 78% pointing to inefficiencies in recovery of loans. The Jinja zonal office is profitable with a cost to income ratio of 0.7:1. The performance of the zonal office is shown in table 4.4.2.

Table 4.4.2: Jinja MSCL Zonal Office Performance by 31st December, 2018

No	Indicator	Benchmark	Target FY 2018/19 (Ug Shs)	Actual FY 2018/19 (Ug Shs)
1.	Value of loans disbursed during the period in (Ug shs billion)	According to the annual work plan	4.250billion	1.550billion
2.	Cost Vs Income ratio	Costs < 1	0.7:1	0.7:1
3.	Repayment rate (on time)	95%	78%	35%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	2.9 billion	2.57billion
5.	Portfolio At Risk (P.A.R)>30days (Value in Ug shs Billion)	Not> 15% of total o/s loan portfolio	3.5%	8.2%
6.	Percentage increase in no of clients taking follow on loans	Increasing from prior year	54%	45%
7.	Existence of reference SACCO/ District	1/District	11of 11	09 of 11

Source: MSC Jinja Zone

(b) Lira/Gulu MSC Zonal Office

Lira MSC zonal office serves 11 districts that include: Amuru, Apac, Gulu, Kitgum, Kole, Lamwo, Lira, Otuke, Oyam, Nwoya & Pader. The zonal office disbursed Ug shs 1.231billion against a target of Ug shs 3 billion (41% performance). The portfolio at risk greater than 90days was 27.90%, against a target of 5% pointing low recoveries and high default rate. The cumulative repayment rate was 11.7% which was below the 45% target. This was partly due to the closure of some SACCOs-Namasale and Etam plus the SME defaulters of Braaky and Mid North. The number of clients taking follow up loans increased to 84%. The zonal office was able to have a reference[11] SACCO in 6 of the 16 districts (37%). The performance of the zone is summarized in table 4.4.3.

Table 4.4.3:Lira MSC Zonal Office Performance as at December 31st 2018

No.	Indicator	Benchmark	Annual Target 2018/19	Actual FY 2018/19
1.	Value of loans disbursed during the period in (Ug shs billions)	Not according to the annual work plan	1.1 Billion	1.231billion
2.	Cost Vs Income ratio	Costs < 1	2:1	1.3:1
3.	Repayment rate (on time)	95%	45%	11.7%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	2.billion	3.023billion
5.	Portfolio At Risk (P.A.R)>90 days (Value in Ug shs Billion)	Not> 5% of total o/s loan portfolio	10%	27.90 %
6.	Percentage increase in no of clients taking follow on loans	Increasing from prior year	86%	84%
7.	Existence of reference SACCO/ District	1/District	12 of 16	6 of 16

Source: MSC Lira Zonal Office

c) Kampala MSC Zonal Office

Kampala zonal office serves 12 districts: Buikwe, Butambala, Buvuma, Gombe, Luwero, Kampala, Kayunga, Mityana, Mukono, Mpigi, Nakasongola and Wakiso.

Kampala MSC zonal office disbursed Ug shs 6.235 billion, which was 54% performance of the target Ug shs 11.1billion. Portfolio outstanding attained was Ug shs 25billion against a target of Ug shs 28billion (89% performance). The cumulative repayment rate achieved was 67% against the target of 70%. The Kampala zonal office is profitable with a cost to income ratio of 0.17:1. The performance of the zonal office is shown in table 4.4.4.

11 Model SACCO is expected to be supported for each District served

Table 4.4.4: Kampala MSCL Zonal Office Performance by 31st December 2018

No	Indicator	Benchmark	Target FY 2018/19 (Ug Shs)	Actual FY 2018/19 (Ug Shs)
1.	Value of loans disbursed during the period in (Ug shs billion)	According to the annual work plan	18.1billion	6.235billion
2.	Cost Vs Income ratio	Costs < 1	0.5:1	0.17:1
3.	Repayment rate (on time)	95%	70%	67%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	28billion	25 billion
5.	Portfolio At Risk (P.A.R)>90days (Value in Ug shs Billion)	Not> 15% of total o/s loan portfolio	15%	12%
6.	Percentage increase in no of clients taking follow on loans	Increasing from prior year	Not reported on	-
7.	Existence of reference SACCO/ District	1/District	13 of 13	11 of 13

Source: MSC Kampala Zone

d) Kabale MSC Zonal Office

Kabale MSC Zonal office serves the six districts of Kabale, Kanungu, Kisoro, Rubanda, Rukiga and Rukungiri district.

Kabale MSC zonal office disbursed Ug shs 615million which was a 60% of the target (Ug shs 1billion) with an outstanding portfolio of Ug shs 6.89billion, against the target of Ug shs 9 billion (76%). The reduction in the outstanding portfolio from Ug shs 7.58billion to Ug shs 6.89 billion was as a result of Max Distillers paying its loan arrears of Ug shs 392million.The cumulative repayment rate achieved was 93% against the annual target of 85%. 90% of 84 clients were paying on time. The zone had eight defaulters who cleared their arrears. The Kabale zonal office was profitable with a cost to income ratio of 0.24:1 against the target of 0.3:1, this was due to increased collection in the quarter. The zonal office was able to maintain at least one reference SACCO in every district of the zone. The detailed performance of Kabale zonal office is shown in table 4.4.5.

Table 4.4.5: Kabale MSC Zonal Office Performance by 31st December 2018

No	Indicator	Benchmark	Target FY 2017/18 (Ug shs)	Actual FY 2017/18 (Ug shs)
1.	Value of loans disbursed during the period in (Ug shs billions)	According to the annual work plan	1 billion	615million
2.	Cost Vs Income ratio	Costs < 1	0.24:1	0.3:1
3.	Repayment rate (on time)	95%	80%	93%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	9billion	6.89billion

No	Indicator	Benchmark	Target FY 2017/18 (Ug shs)	Actual FY 2017/18 (Ug shs)
5.	Portfolio At Risk (P.A.R)>90days (Value in Ug shs Billion)	Not> 15% of total o/s loan portfolio	5%	17.42%
6.	Percentage increase in no of clients taking follow on loans	Increasing from prior year	79%	90%
7.	Existence of reference SACCO/ District	1/District	6	9

Source: MSC Kabale Zone

d) Mbale MSC Zonal Office

Mbale MSC Zonal office serves the fifteen districts of; Budaka, Bududa, Bukedea, Bukwo, Bulambuli, Busia, Butaleja, Kapchorwa, Kibuku, Manafwa, Kween, Mbale, Palliisa, Sironko & Tororo district.

Mbale MSC zonal office disbursed Ug shs 4.665 billion which was 100% performance of the target (Ug shs 4.620billion), this was on account of increased Islamic loan financing. The cumulative repayment rate was 69% against the annual target of 80%. Mbale zonal office achieved a cost to income ratio was 0.8:1 against a target of 1:1. There was an increase in the number of clients taking follow up loans against the target 6 to 12(177%). The zonal office was able to have a reference[12] SACCO in 12 of the 15 districts (25 %). The detailed performance of Mbale zonal office is shown in table 4.4.6.

Table 4.4.6: Mbale MSC Zonal Office Performance by 31st December 2018

No	Indicator	Benchmark	Target FY 2018/19	Actual FY 2018/19
1.	Value of loans disbursed during the period in (Ug shs billion)	According to the annual work plan	4.620 billion	4.665billion
2.	Cost Vs Income ratio	Costs < 1	1:1	0.8:1
3.	Repayment rate (on time)	95%	80%	69%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	4.3billion	4.4billion
5.	Portfolio At Risk (P.A.R)>30 days (Value in Ug shs Billion)	Not> 15% of total o/s loan portfolio	8%	13%
6.	Percentage increase in no of clients taking follow on loans	Increasing from prior year	100%	177%
7.	Existence of reference SACCO/ District	1/District	15	12

Source: MSC Mbale Zone

[12] Model SACCO is expected to be supported develop for each District served

e) Mbarara MSC Zonal Office

Mbarara Zonal offices serve 11 districts that include; Buhweju, Bushenyi, lbanda, Isingiro, Kiruhura, Mbarara, Mitooma, Nsiika, Ntungamo, Rubirizi & Sheema. Mbarara MSC zonal office disbursed a total of 15 loans totaling to Ug shs 2.040 billion, which was 40.4% of target of Ug shs 5.9 billion, with an outstanding loan portfolio of Ug shs 15.1billion to both Islamic and conventional loans (82%). Portfolio at risk greater than 30 days was 18.83%, against the target of 8% and recovery rate of 39%, against the target of 90% as at 31st December 2018. The cost to income ratio for the zone was 0.27:1 against the target of 0.25:1%. The zone established a total of 14 reference SACCOs out of the 10 districts it serves. The detailed performance of the zonal office as at 31st December 2018 is shown in table 4.4.7.

Table 4.4.7: Mbarara MSC Zonal Office Performance by 31st December, 2018

No	Indicator	Benchmark	Target FY 2018/19 (Ug Shs)	Actual FY 2018/19 (Ug Shs)
1.	Value of loans disbursed during the period in (Ug shs billion)	According to the annual work plan	5.9billion	2.210billion
2.	Cost Vs Income ratio	Costs < 1	0.25:1	0.27:1
3.	Repayment rate (on time)	95%	90%	39.1%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	18.5billion	15.1billion
5.	Portfolio At Risk (P.A.R)>365 days (Value in Ug shs Billion)	Not> 15% of total o/s loan portfolio	Not set, (target was >30 days) i.e. 8%	18.83%
6.	Percentage increase in no of clients taking follow on loans	Increasing from prior year		
7.	Existence of reference SACCO/ District	1/District	10	14

Source: MSC Mbarara Zone

E) Masaka MSC Zonal Office

Masaka zonal office serves nine districts: Bukomansimbi, Kalangala, Kalungu, Kyotera, Lwengo, Lyantonde, Masaka, Rakai and Sembabule. The zonal office disbursed Ug shs 870 million against the annual target of Ug shs 4 billion (21% performance). Islamic financing did not take off which affected the disbursements. The cumulative repayment rate was 34%, which was a decline against the targets of 85%. The zone attained 81.3% increase in the number of clients taking follow on loans (35 out of 43), against an annual target of 70%. Outstanding portfolio was Ug shs 4.8billion, against the target of Ug shs 3.65billion. Masaka zonal office was profitable at a cost to income ratio of 0.5:1 against the target of 0.47:1. The zonal office was able to have a reference[13] SACCO in 8 of the 9 districts (88 %). The performance is summarized in table 4.4.8.

Table 4.4.8: Masaka Zonal Office Performance as at 31st December, 2018

No	Indicator	Benchmark	Target FY 2018/19 (Ug Shs)	Actual FY 2018/19 (Ug Shs)
1.	Value of loans disbursed during the period in (Ug shs billions)	According to the annual work plan	4 billion	870million
2.	Cost Vs Income ratio	Costs < 1	0.5:1	0.47:1
3.	Repayment rate (on time)	95%	85%	34%
4.	Value of outstanding loan portfolio (Ug shs billion)	Increasing from prior year	4.8billion	3.65billion
5.	Portfolio At Risk (P.A.R)>30 days (Value in Ug shs Billion)	Not> 15% of total o/s loan portfolio	5%	18.73%
6.	Percentage increase in no of clients taking follow on loans	Increasing from prior year	43	35
7.	Existence of reference SACCO/ District	1/District	9	8

Source: MSC Masaka Zone

Performance of SACCOs

The assessment of the performance of the MSC was extended to the SACCOs with the objective of confirming the services obtained from the MSC, and how these could be improved, and also establish,

i. Adequacy and relevancy of any other services received from the MSC
ii. Services received from the project for financial inclusion in rural areas (PROFIRA)
iii. Any support services received from the District Commercial officers (DCOs) of the respective local governments
iv. Assess levels of financial inclusiveness

Findings

Six SACCOs visited included- Banyaruguru Development SACCO in Rubirizi, Kaptaraki Farmers SACCO in Kapchorwa, Lukaya RoadToll SACCO in Masaka, Masasha SACCO in Bukwa, Mityana Town Counicil SACCO in Mityana, and Pangisa SACCO in Arua.

Interviews were held with DCOs of Arua, Agago, Nebbi, Maracha, Mityana, Kamuli, Kapchorwa, Kabale, Koboko, Kween, Kabale, Rubirizi, and Rukungiri to triangulate information obtained. It was found that, the average loan processing duration had not improved, it took more than 2 months to access loans. 45% of SACCOs received business development services-training from MSC which was below average. The DCOs noted that the low number of SACCOs

[13] Model SACCO is expected to be supported develop for each District served

supported by MSC especially in the eastern and northern region was attributed to stringent requirements that included significant savings and capital in order to access loans. Synergies among government agencies improved greatly MSC has signed MoUs with district CAOs to provide information desks for communities to access materials on MSC products and services.

Challenges

1) High mortality and default rate of SACCOs, due to lack of common objective at formation except that of accessing funds, which increases default rate.
2) Inefficiencies and delays in loan processing by the MSC drives away would be clients to other lending institutions such as banks.
3) Poor governance and management in most SACCOs resulted into misappropriation of funds, theft, collusion, and fraud.
4) Under staffing of MSC zonal offices hampers monitoring of implementation of action plans drawn with clients and recovery of funds from clients especially with groups which need constant monitoring and supervision.
5) Prohibitive requirements for acquiring loans from the MSC hence discouraging borrowing.
6) Unfavorable weather patterns that affect the agricultural yields and economic activities.
7) Multi-borrowing from different SACCOs and other lending institutions which has resulted into high default rate.

Recommendations

1) The GoU through the MFPED-Financial Services Department should revisit its vision of SACCOs as the key financial inclusion tool in rural areas. Other options, such as community savings and credit groups (CSCGs) and/or registered NGO-MFIs working together with commercial banks could offer solutions in which the success and value for money ratios are clearly better than has been the case when working with the SACCOs.
2) Ministry of Trade, Industry and Cooperatives (MoTIC) should advise SACCOs to mobilize savings and improve their rating to facilitate access to credit from the MSC.

On financial inclusion:

1. The MoTIC that holds the oversight role over groups and micro lending should build capacity of SACCOs on credit and default management.
2. The MoTIC should support groups and SACCOs to do value addition to help them earn more.
3. The MoTIC should on phased basis consider introducing cooperatives with clear objectives as a mechanism of mobilizing agricultural production.

II **Project: 1288 Financial Inclusion in Rural Areas (PROFIRA)**

Introduction

The Government of Uganda (GoU) and the International Fund for Agricultural Development (IFAD) recognize the continuing need to promote rural finance; and both see the focus on financial inclusion as one of the key pillars of Uganda's efforts to eradicate poverty. In line with that, the Project for Financial Inclusion in Rural Areas (PROFIRA) was designed in September 2013 in partnership between IFAD and GoU. IFAD approved a loan of USD 29 million and a grant of USD 1 million in support to this project. By 31st December 2018, 64% of the IFAD loan had been received by PROFIRA and budget performance stood at 34%. The GoU has disbursed Ug shs 3.244billion (80% of the approved budget) as technical assistance and counterpart funding of the project.

The specific project objectives were to:

i. Sustainably increase the access to and use of financial services by the rural population, through mobilization of communities and Savings and Credit Cooperative Organizations (SACCOs), training based on specifically designed modules and technologies delivered through service providers (SPs).
ii. Provision of Management Information System (MIS) - this targeted SACCOs that were sustainable, strong and serving at least 1,000 clients to enhance effectiveness and efficiency and to coordinate the branches of SACCOs. This was to be done on a 30% to 70% basis.

PROFIRA focuses on the large portion of the rural population that has little or no access to financial services and two rural institutions that have successfully demonstrated that, sound and appropriate financial services can be provided to even the poorest members of rural communities.

Developing a sustainable SACCO Union through a quarterly performance based incentive to the SACCO Union, and establishment of new CSCGs.

Performance

Overall PROFIRA achieved 70% physical performance during semi-annual FY 2018/19 which was good, performance was inhibited by the poor organization in SACCOs and groups.

SACCO strengthening was conducted through training six modular areas shown in table 4.5 other capacity building areas included; Credit and Default Strengthening, Community Savings and Credit Groups, Innovations and Partnerships.

Intensive capacity building was implemented through service providers (SPs) and worked better in about 50% (227) of the targeted SACCOs. However a large number of the originally selected 453 SACCOs that were targeted for training activities were found not to be ready to undergo the modular training as evidenced by the low levels of attendance during the scheduled training sessions by the service providers. The major factors identified as undermining the effectiveness of training were attributed to weaknesses in SACCOs as follows:

- Prevalence of fraud cases that has compromised operations
- Poor governance (malfunctioning boards)
- Low business volumes (less than 10 daily transactions)
- Large portfolio at risk (greater than 20% unpaid loans for 30days)

Table 4.5 shows the overall performance for training in six specifically developed modules and credit and default management (for the more developed class SACCOs).

Table 4.5: Trainings undertaken by Service Providers –Project Performance (Targets vs. Actual)

No	Training Area	Overall Project Performance		
		Target	Actual	%
1	Financial literacy	330	308	93
2	Governance	330	241	73
3	Business Skill Development	330	284	86
4	Financial Management	330	355	108
5	Strategic Planning	330	278	84
6	Saving and Other Product development	330	304	92
7	Credit and Default Management	453	435	96

Source: Service Providers Reports

Implementation of the MIS grant commenced with 27 SACCOs, and as per the grant agreements the respective SACCOs contribute 30% of the cost and PROFIRA 70%. This co-funding arrangement was confirmed at Namayingo Buyinja SACCO Ltd that was monitored. The MIS has improved performance management of the beneficiary SACCOs. Although the MIS was rolled out, the contribution by the SACCOs is prohibitive which has affected the rate of uptake.

A total of 7,609 Community Savings and Credit Groups (CSCGs) had been established as at 31st December 2018, which was well over the targeted 7,500 CSCGs for phase one. Total membership stood at 218,927, of which 75% were women and 34% were youth. Female and youth participation was also above the project targets.

PROFIRA facilitated the strengthening of approximately 453 SACCOs against a target of 500 to enable them become sound and financially sustainable organizations that can provide their communities with a range of services.

The beneficiary institutions were found in all regions; West Nile, Northern, South Western, Eastern, and Central Uganda that were monitored. Facilitation was provided to the selected DCOs to work with SACCOs facing operational difficulties for the period up to December 2018. Uganda Cooperatives College Kigumba (UCCK) partnered with PROFIRA to provide financial literacy and cooperatives education to SACCOs.

Challenge

High staff turnover and governance challenges in the SACCOs undermines the benefits from PROFIRA.

Recommendation

The MFPED under the Financial Sector Development Program and PROFIRA should work together to create a more resourceful pool of service providers that will help upscale the training and roll it out further so that more SACCOs benefit. This will help reduce the fraud cases, governance weaknesses, and increase business volume.

III Project: 1290 Budget Preparation Execution and Monitoring Component 2

Introduction

In an effort to improve public financial management and consistency in the economic development framework, develop an integrated planning and resource allocation framework to ensure alignment of the planning and budgeting instruments. GoU set out to introduce the Programme Budgeting System (PBS) to ensure resources are allocated in accordance with the GoU strategic framework, policies and priorities to those areas and service providers that will enable government at both CG and LG levels to achieve economic growth and development

The objective of project 1290 (FINMAP III) component 2 was to ensure timely and realistic budget preparation, timely and quality budget analysis, monitoring and evaluation, timely and quality project design and appraisal. This was to be achieved through the Programme Based Budgeting (PBB) and PBS.

To that end, monitoring was conducted to assess achievement of;

- Programme Based System (PBS) integration and testing for all components
- PBB sector/MDA outcome and output indicators reviewed
- Technical support to budget preparation and monitoring facilitated

Performance

This program supports the NDP II objective to improve the public financial management and consistency in the economic development frameworks, develop an integrated planning resource allocation framework to ensure alignment of the planning and budgeting.

The overall performance of the project was at 80% which was very good, the PBS was tested for all components and used for budgeting, reporting and procurement planning in the Central Government (CG) and reporting for LGs.

The MDAs and LGs have fully adopted the use of the PBS for planning, budgeting and reporting. The timeliness of generation of reports under the LGs improved, 80% of LG votes submit quarterly reports on time.

For the LGs, expenditure against some items is not possible as it was not captured appropriately in the budgets on account of limitations of certain fields and codes of the PBS.

PBB sector/MDA outcome and output indicators reviewed

Although outcome indicators were reviewed and involved participation of some sector staff, the ministries were finding it difficult to measure some outcomes. This was due to the type of indicators, which were unrealistic, for example-percentage of vulnerable persons changing their livelihood, percentage of water coverage was difficult to measure at half or in a period of one year.

In the District Local Governments (DLGs), there was no shift registered from outputs to outcomes, it was also observed that outputs related to a fiscal year, however, outcomes were over time and was important to recognize a given result chain. This was likely to cause implementation challenges of the PBB if it was going to be measured over a fiscal year. At the DLGs, the indicators were still at output level for all departments including Education and Health that offer social services.

Technical support to budget preparation and monitoring facilitated

The central government votes were satisfied with the technical support that was given by the implementing team of the MFPED, and the PBS could be used to support monitoring.

For the LGs, the training in 100% of the DLGs was found to have been inadequate.

PBS interfaces with other systems

The PBS interface with the IFMS was achieved, however the interface with the Integrated Personnel Payroll System (IPPS), and Aid Management Platform (AMP) was yet to be achieved by 31st December 2018. This was behind schedule and was affecting the completion of work on the PBS project.

Challenges

1. Some of the outcome indicators on the PBS are unrealistic as such they cannot be attributed to given outcomes, this will result into misreporting on the system.
2. Unavailability of the system/server due to ongoing updates and developments affects timely completion of key reports such as the budget.
3. Increased costs on account of unreliable internet and computers to support the PBS system.

Recommendations

1. The MFPED together with the National Planning Authority (NPA), Uganda Bureau of Statistics (UBOS) and Office of Prime Minister should improve the outcome indicators and also link the output indicators to the outcomes.
2. The MFPED should continuously carry out PBS training for key staff and stakeholders at the LGs and CG. These should include Accounting Officers, Planners, Heads of Department and district executive committees.
3. The MFPED should support the PBS roll out with a grant for operational costs and or necessary equipment such as computers to maximize the envisaged efficiencies

Overall Performance of MFPED

The overall semi-annual performance of MFPED during FY 2018/19, on the basis of the two sampled programmes/projects, was good (75%)

Challenge

Inadequate training for all programmes/projects activities currently being implemented under the MFPED.

Recommendation

MFPED should step up training for the PBS and awareness of the PBB to improve planning, budgeting and reporting function

4.3 Vote 141 Uganda Revenue Authority

4.3.1 Background

The Uganda Revenue Authority (URA) is mandated to collect, and make assessment of specified tax revenue, administer, enforce and account for such revenue. Its strategic direction is to cultivate a taxpaying culture through provision of reliable services, leadership development and building strategic partnerships and also to provide excellent revenue services with purpose and passion. The Authority has two programmes which were monitored to assess the level of implementation.ie i) Programme 18 Administration and Support services whose outcome is achieving efficient and effective institutional services, and ii) Programme 54 Revenue Collection and Administration, whose outcome is to maximize revenue.

URA addresses the NDP II objective of increasing the tax to GDP ratio, this is measured by the more domestic revenue collected, and increase in informal sector registration. The interventions made at the URA are positively impacting the levels of performance.

Performance

Overall, the automation of processes has contributed to the achievement of targets at the URA. The URA half year performance was rated at 93% which was very good. The rollout of the Enterprise Resource Planning (ERP) streamlined internal operations. All URA processes- human resource management, procurement and finance functions are conducted on the ERP.

a) **Programme 1418: Administration and Support Services**

The programme 1418 approved budget for FY 2018/19 is Ug shs 163.32billion (49% of the vote approved budget), of which Ug shs 84.96billion (52%) was released and Ug shs 83.96billion (99%) expended by 31st December 2018. The programme has five sub-programmes: i) Internal Audit and compliance, ii) Corporate Services, iii) Legal services, iv) Research and Planning, Public Awareness and Education, v)Support to URA.

Tax audits and Compliance

URA has adopted voluntary compliance as a new approach to revenue collection. The e-tax platform improved tax payer compliance by enabling faster; assessment, filing of returns and payment of taxes. Internally, e tax improved the speed at which URA staff accessed information, compliance checks especially due dates were promptly done, time spent to serve clients greatly improved, and gave trust to clients and confidence as a systematic assessment was conducted. Engagements were conducted as planned, 50 audits and 6 compliance reviews completed, and 9 integrity enhancement initiatives were implemented by 31st December 2018.

Compliance has greatly improved, this was observed in the Ministries, Departments Agencies and Local Governments (MDA and LGs) assessed for tax compliance.

Corporate Services

By the end of second quarter, URA had implemented equal opportunities employment by enrolling 57 staff out of which 15 were female and 42 male, and sensitization engagements were beyond annual target by end of Q1 due to the urgent need for corporate change management.

There was improved staff productivity level from 83.20% in Q2 to 94.47% in Q2 based on increase in revenue contribution per staff.

A total of 18 unplanned system down times were experienced against a target of 6 in the period of six months. Much as the system down times had a higher turnover than expected, real time recovery took an average of less than two hours. As a result there was minimum interruption to normal business.

Legal Services

At the end of Q2, 84% cases were won and settled in URA's favor where by forty three (43) judgments/rulings were received, out of which thirty-six (36)cases were decided in favor of URA. Five cases were decided in favor of clients and two (2) were split decisions. There were no acquittals. Ug shs 49.38 billion was recovered from debt against a target of Ug shs 40.00 billion for the period. The excellent performance is attributed to team work, staff self-motivation and capacity building of the legal staff.

Research & Planning Public Awareness and Tax Education

During the period under review, URA conducted regional visits to taxpayers, 16 expos, 36 financial literacy engagements held across gender groups, and a total of 13,887 stakeholders were reached. All engagements were completed as planned.

Support to URA Projects

Overall physical work progress of the construction of the Government buildings was 100% and resurfacing works on the road from the site main gate to Walusimbi Close gate were on-going. Servicing of the finance lease for 90 vehicles was done as planned.

The ERP system was rolled out in July 2018. This is a performance management system whose objective is to improve internal processes by removing the manual systems and processes. This improved documentation and record keeping, human resource functions; recruitment, appraisals, training plans and payroll management leave processes and hand over of offices by staff were done and followed through the ERP system. The ERP facilitates faster reconciliation of taxes collected by extracting data from the e-tax platform and the bank and providing exception reports were discrepancies exist. Staff were fully trained in the use and operation of the ERP.

The programme performance was good at 87.6% by 31st of December 2018. Details of the programme performance are shown in table 4.6.

Table 4.6: Performance of programme 1418 Administration and Support Services by 31st December 2018

Sub programme/Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Administration and Support Services	Internal Audit and Compliance	5,344,403,647	2,820,000,000	100	56	3.27	Extra integrity enhancement initiatives were held internally due to an increasing need to sensitize the staff on the code of conduct.
	Corporate Services	106,197,137,512	57,620,000,000	100	50	59.79	Sensitization engagements were beyond annual target this was due to the urgent need for corporate change management.
	Legal Services	6,288,323,823	3,280,000,000	100	52	3.83	The excellent performance is attributed to team work, staff self-motivation and capacity building of the legal staff.
	Research & Planning Public Awareness and Tax Education	11,200,802,340	6,650,000,000	100	80	0.00	140 tax clinics engagements held across regions & gender groups. Concluded 5 researches such as Improving the URA tax register & drivers of IT compliance.

Sub programme/Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Support to URA	34,639,695,827	14,580,000,000	100	50	20.69	The finishing plan of the access road was changed from tarmac to pavers. The new expected date of completion date is 31st March 2019.
	Programme Performance					**87.60**	**Good performance**

Source: Author's compilation

b) Programme 1854 Revenue Collection & Administration

The approved programme budget for FY 2018/19 is Ug shs 168.61billion, of which Ug shs 90.15billion (53%) was released and Ug shs 86.82billion (96%) expended by 31st December 2018. The programme has three sub-programmes: i) Domestic Taxes, ii) Customs Revenue and, iii) Tax Investigations

Domestic Taxes

Total Domestic tax collections were Ug shs 4,841.67 billion, against a target of Ug shs 4,597.48 billion for the first half of FY 2018/19. New taxpayers totaling to 89,617 were added onto the tax register against a target of 56,837. This represented 6.79% register growth in the first half of FY 2018/19. The good performance of the tax register was boosted by Block Management System & Tax Registration Expansion Programme (TREP) initiatives such as One Stop Shops & Door-to-Door client enrollment, which led to registration of 45,226 new taxpayers during the first half of FY 2018/19. There were 16,786 value clients who contributed Ug shs 10.68 billion for the period.

Customs

Total customs collections were Ug shs 3,440.98 billion during the first half of FY 2018/19, against a target of Ug shs 3,352.32 billion. 152 cstoms post clearance audits were conducted against a target of 100. These resulted into assessments of Ug shs 102.11 billion, of which Ug shs 54.79 billion was agreed upon.

Two border points, namely Malaba and Busia were monitored. In August 2018, URA installed drive through cargo scanners at the mentioned border points. The system does quick scanning of entries that would not be accessed by URA. Allows proper allocation of time by staff to more sensitive items and compliance of importing clients stepped up. Other benefits include, trade facilitation for importers and exporters through; easy record comparison, evidence of image of cargo is given to importers where disputes occur.

Customs administrative measures such as electronic cargo tracking, installation of drive through cargo scanners at boarder points, generation of tariff specification codes and post clearance audits performed beyond expectation due to vigorous enforcement initiatives, commitment to staff capacity training, as well as acquisition and full installations of hitech equipment.

Tax Investigations

A total of 40 cases were investigated to conclusion against a target of 30. The Value Added Tax (VAT) fraud task force, compliance investigations and technical support; yielded total revenue of Ug shs 70.91 billion for the period, generated 80% forensics support through analysis as planned. Technical support to the rental project was given, which resulted into identified tax worth Ug shs 0.14 billion.

The programme performance was excellent at 99% performance by 31st of December 2018. Details of the programme performance are shown in table 4.7.

Table 4.7: Performance of Programme 1454 Revenue Collection and Administration by 31st December 2018

Sub programme/Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Revenue Collection & Administration	Domestic Taxes	99,574,533,429	49,790,000,000	100	52	55.23	Significant surpluses were realized in Corporation Tax and VAT. Compliance audits performed below target due to a spill-over effect of audit back log.
	Customs	74,021,288,566	37,010,000,000	100	51	41.05	Customs administrative measures performed beyond expectation due to vigorous enforcement initiatives, commitment to staff capacity

Sub programme/Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							training, as well as acquisition and full installation of standard customs scanners.
	Tax investigations	6,705,493,614	3,350,000,000	100	45	2.98	There was clear tasking & monitoring of planned activities which resulted into effective implementation of the plan.
	Programme Performance					**99.26**	**Excellent performance**

Source: Author's compilation

During the monitoring exercise, DLGs and URA offices of Arua, Gulu, Mbarara, Mbale, Lira, Busia and Malaba border post were visited. It was confirmed that the e-tax platform facilitated faster assessment, filing returns and payment of taxes in the MDAs and LGs. Voluntary compliance approach for revenue collection was observed, and internally, tax payer information is accessed faster than before, compliance checks and stake holder engagements were conducted.

The ERP system rolled out automated internal process, including human resource functions and financial reporting functions. Management and tax collection reconciliation reports were generated instantly.

To enhance efficiencies at the boarder's entry points, URA installed cargo scanners at boarder posts of Malaba and Busia; this helped identify wrong declarations made, distinguished cargo by type e.g. machinery and organic. This intervention led to reduction in revenue losses on account of misdeclarations and curb entry of illicit goods, for example Ug shs 7billion was recovered in two months of installing the equipment at Malaba border post.

It was also confirmed at the URA stations that the TREP was ongoing and tax education programs for clients in the LGs were conducted.

Challenges

1) Frequent updates and developments on the URA web portal made it unavailable in some instances and often affected the ease of navigation when restored.

2) Receipts generated off the URA web portal by the LGs were accepted by the Auditor General as evidence of tax payments.
3) Poor internet connectivity affected the constant availability and use of the URA web portal.
4) URA does not hold public sector responsibilities at the regional offices, the function is held at the head office, and LG staff incur costs and time travelling to address any discrepancies.

Recommendations

1) The National Information and Technology Authority-Uganda (NITA-U) and Ministry of Information and Communications Technology (MoICT) should work together to provide stable internet services that will support the E-services offered by URA and MDA&LGs.
2) The MFPED should take the lead in coordinating the services offered through the e-platforms, for example the receipts that were generated by LGs from the e-tax web portal should acceptable evidence for taxes paid.
3) The NITA-U should facilitate the sharing and tracking of information between government e-systems, for example a quick verification of tax clearance certificates in support of applications to supply government services under the Public Procurement and Disposal of Assets Authority (PPDA) should be enabled.

4.4 Vote 153: Public Procurement and Disposal of Public Assets (PPDA) Authority

Introduction

The Public Procurement and Disposal of Public Assets Authority (PPDA) is responsible for ensuring; the application of fair, competitive, transparent, non-discriminatory, and value for money procurement and disposal standards and practices, monitor compliance of procuring and disposing entities and build procurement Public Procurement and Disposal of Public Assets (PPDA) is responsible for ensuring; the application of fair, competitive, transparent, non-discriminatory, and value for money procurement and disposal capacity in Uganda among the key roles. The Authority has one programme which was monitored to assess the level of implementation.

Performance

The semi-annual performance of the PPDA was 71.99% which was good. This was partly attributed to the number of audits of procuring entities at central and local governments conducted increased.

Programme 1456-Regulation of the Procurement and Disposal System

The programme approved budget FY 2018/19 is Ug shs 24.85billion, of which Ug shs 11.04billion (44%) was released and Ug shs 8.42billion (76%) expended by 31st December, 2018. The programme has two sub-programmes: i) Headquarters and Support to PPDA. Of these, one sub-programme was monitored.

Headquarters sub-programme

The approved budget FY 2018/19 is Ug shs 13.86billion, of which Ug shs 7.11billion (51.3%) was released and Ug shs 6.20billion (76%) expended by 31st December 2018. The sub-programme has five directorates which were monitored to assess the level of implementation. Below are the findings.

a) Performance Monitoring Directorate

In a bid to strengthen transparency and accountability in public procurements, the PPDA conducts annual audits of the central government entities; MDAs such as hospitals, universities and schools and LGs. The PPDA established regional offices-Mbale, Gulu and Mbarara to facilitate easy access to the entities out of Kampala. The support to entities entails value for money audits, performance monitoring, advisory services and capacity building engagements.

By 31st December 2018, performance was fair as the authority had completed 12 investigations worth Ug shs 1.1 trillion; supported 181 entities using the government procurement portal to upload plans and reports; completed 31 compliance inspections in LGs and 53 compliance checks were carried out to ensure full and correct application of the PPDA Act 2003. The directorate completed 19 procurement and disposal audits out of planned annual target of 150. However, only 34% of the contracts at both central and local government were rated highly satisfactory.

Capacity Building and Advisory Services Directorate

Performance of the directorate was good as a number of planned outputs were on track by half year. The authority conducted surveys, updated the list and prices of items commonly procured by all entities and inducted members of contracts committees of several entities in the central and local governments.

Additionally, a total of 263 key stakeholders were trained in various areas of public procurement which under supply and demand driven arrangements.

The proportion of contracts awarded to local providers was 91% by value and 99% by number since local contractors continue to dominate the low value procurement contracts.

Legal and Investigations Directorate

During the period under review, the authority investigated and issued reports. Of the 36 reports issued, 8 were in respect to complaints from LGs, while 28 were from Central Government. The complaints raised were in respect to dissatisfaction with the evaluation process, and failure to avail information on summary of the evaluation process as stipulated under the law.

The authority handled nine (11) applications before the PPDA Appeals Tribunal. Six (8) were appeals against the Administrative review decisions by the authority, two (2) were in respect to a suspension decision made by the authority, and one (1) was a retrial pending the decision of a judicial review application against the tribunal’s decision.

Operations Directorate

Under the directorate, staff salaries and providers were paid in time, maintained PPDA fleet in good working conditions and service contracts for utilities were maintained. The authority embarked on a recruitment exercise to fill the fourteen (14) vacant positions and these included; Manager Finance and Administration, E-GP Support Officer-Procurement, Administrative Assistant, Director Corporate Affairs, and Driver.

Corporate Directorate

Performance was good as a number of planned outputs were achieved. The directorate worked on integration with three key Legacy Systems (e-tax, e-registration and e-payments gateway), held publicity and media campaigns, participated in the Independence Day celebrations, and maintained existing strategic relationships with various stakeholders.

The E-procurement project team successfully worked with the vendor to develop, review and approve the business process mapping document for the e-GP system. The system requirements specification (SRS) document will form the final basis for the detailed design and customization of the system. They are working on the various systems which will interface with E-GP e.g. Integrated Financial Management System (IFMS), and e-tax platform etc.

Performance of Programme 1456 Regulation of the Procurement and Disposal System is shown in table 4.8.

Table 4.8: Performance of Regulation of the Procurement and Disposal System Programme by 31st December, 2018

Sub programme /Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	Performance monitoring Directorate	2,929,664,023	1,396,822,062	100	28	12.42	A total of 12 investigations were completed and 181 entities were supported in using the government procurement portal to upload plans and reports.
	Capacity building and advisory Directorate	1,646,115,500	663,982,044	100	30	8.83	Surveys were conducted, list and prices of items commonly procured by all entities was updated and inducted members of contracts committees of several entities in the central and local governments.
	Legal and investigations Directorate	1,323,050,100	834,921,69	100	10	1.51	The authority investigated and issued reports. Of the 36 reports issued, 8 were in

Sub programme /Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
			1				respect to complaints from LGs, 28 were from Central Government.
	Operations Directorate	4,023,090,933	2,156,735,866	100	45.00	24.37	Staff salaries and providers were paid in time, maintained PPDA fleet in good working conditions and service contracts for utilities were maintained.
	Corporate Directorate	3,935,857,064	2,023,584,409	100	45.00	24.86	The Directorate worked on Integration with three key Legacy Systems (e-tax, E-registration and e- payments gateway).
	Programme Performance					**71.99**	**Good performance**

Source: Author's compilation

Challenges

i) Review procedure for contested awards tends to halt the entire contract execution and this procedure could take a full financial year without being resolved.

ii) Delays in amendments to the Local Government PPDA Regulations. The amendment process of these Regulations was halted pending the finalisation of the review of the PDPA Act. This delay in the amendments continues to hamper procurement efficiency in the LGs.

iii) The authority currently conducts audits on a sample and risk basis. The current audit coverage is only 35% and this position is continuously being worsened by the ever increasing number of both central and local government entities.

iv) Procuring entities especially at LGs experience political interference in the procurement process. In some entities, the capacity of some staff of the procurement and disposal units is low which affects execution of procurements by entities.

v) Hybrid procuring method used in the LGs (Inter-Governmental Fiscal Transfer Project) to construct health centres and seed schools was not explained to stakeholders on its application.

Recommendations

i) The PPDA should consider reducing the durations (timelines) in the procurement process by about 50% at every stage e.g. evaluation of bids period to 10 working days from 20 days.

ii) The PPDA should step up awareness campaigns for example through radio talk shows to clarify the different emerging procurement methods and their application, for example the hybrid procurement done under the Inter-Governmental Fiscal Transfer projects in health and education departments/sectors at the LGs.

iii) The PPDA should roll out the e-procurement as mechanism of addressing some inefficiencies in procurement.

PART 3: PHYSICAL PERFORMANCE

CHAPTER 5: AGRICULTURE

5.1 Introduction

5.1.1 Sector objectives

The overall agriculture sector objective in the National Development Plan (NDPII)[14] is to enhance rural incomes, household food and nutrition security, exports and employment. The overall goal of the sector is to achieve an average growth rate of 6% per year over the period 2015/16 to 2019/20[15] by focusing on four strategic objectives namely: increasing production and productivity of agricultural commodities and enterprises; increasing access to critical farm inputs; improving access to markets and value addition and strengthening the quality of agricultural commodities; and strengthening the agricultural services institutions.

The gender and equity commitments in the sector emphasize increasing access by youth, women, persons with disabilities (PWDs) and special interest groups to farmer groups, production inputs, value addition equipment, information and training opportunities, advisory services and demonstration plots, tractor hire services and labour saving technologies at affordable prices.

These objectives are addressed through interventions implemented in the nine votes in the sector, namely: i) Vote 010: Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) ii) Vote 121: Dairy Development Authority (DDA) iii) Vote 125: National Animal Genetic Resource Centre and Data Bank (NAGRC&DB) iv) Vote 142: National Agricultural Research Organization (NARO) v) Vote 152: National Agricultural Advisory Services (NAADS) Secretariat vi) Vote 155: Cotton Development Organization (CDO) vii) Vote 160: Uganda Coffee Development Authority UCDA viii) Vote 122: Kampala Capital City Authority (KCCA) and ix) Vote 501-850 Local Governments (LGs) - District Production Services.

5.1.2 Scope

The semi-annual monitoring was undertaken in seven out of nine votes namely: CDO, MAAIF, NAADS, NAGRC&DB, NARO, UCDA and LGs. Eight out of 13 programmes in the sector were monitored in these votes namely: i) Agricultural Advisory Services ii) Agricultural Research iii) Cotton Development iv) Coffee Development v) Crop Resources vi) Animal Resources vii) Agricultural Extension and Skills Development viii) Breeding and Genetic Development ix) District Production Services. The districts and central government entities that were monitored are listed in Annex 5.1.

5.1.3 Limitations

i) Inadequate information on resource use against targets in local governments due to poor planning and reporting following the introduction of Programme Based Budgeting

[14] GoU, 2015.

[15] Agriculture Sector Investment Plan 2015/16-2019/20.

(PBB). Reporting is mainly focused on a few high level indicators, and not comprehensively on the entire resource that is disbursed to the local governments.

ii) Inadequate sampling of beneficiaries due to limited field time, given the large number of programmes that are monitored.

5.1.4 Overall sector performance

Overall financial performance

The approved budget for the agriculture sector for FY 2018/19 excluding arrears and Appropriation in Aid (AIA) is Ug shs 684.825 billion, of which Ug shs 420.569 billion (61.41%) was released and Ug shs 303.718 billion (72.22%) spent by 31st December 2018 (Table 5.1). This was very good half year release and good expenditure performance for the sector. Some institutions including the CDO and UCDA received more than three quarters of their annual budget, however there was low resource absorption by most votes, notably CDO, NAADS Secretariat and NAGRC&DB. Front loaded funds were not absorbed by these votes.

Table 5.1: Semi-annual agriculture sector financial performance by 31st December 2018 (billions excluding Arrears and Appropriation in Aid)

Vote/ grant	Approved budget (Ug shs billion)	Releases (Ug shs billion)	Expenditure (Ug shs billion)	% budget released	% release spent
MAAIF	147.552	83.468	61.282	57	77
DDA	5.735	3.406	2.452	59	72
NAGRC & DB	10.997	7.18	4.968	65	69
NARO	62.354	29.771	22.081	48	74
NAADS Secretariat	249.977	160.817	83.355	64	52
CDO	4.995	4.885	2.127	98	44
UCDA	73.589	64.882	62.737	85	97
LGs (District Production Services)	122.967	64.045	64.045	52	100
KCCA	6.659	2.115	0.671	32	32
Total	**684.825**	**420.569**	**303.718**	**61.41**	**72.22**

Source: MFPED, 2018; Semi-annual Vote Budget Performance Reports 2018/19; Budget Directorate, MFPED; Integrated Financial Management System (IFMS); Field Findings

Overall performance

The overall performance of the agricultural sector during FY 2018/19 semi-annual was fair rated at 61.80% (Table 5.2). The sector delivered assorted strategic inputs and value addition equipment to farmers and farmers' groups; set up demonstration sites; increased availability and accessibility to extension farmers; established water for production facilities within communities and undertook research and genetic development. The BOU/MFPED, UCDA, LGs and CDO were the best performers were the MAAIF and NARO were the worst performers by 31st December 2018.

Table 5.2: Agricultural Sector Overall Performance by 31st December 2018

Vote	Performance (%)
Cotton Development Organisation	74.68
Ministry of Agriculture, Animal Industry and Fisheries	36.27
National Agricultural Research Organization	41.78
National Agricultural Advisory Services/Operation Wealth Creation	68.35
National Animal Genetic Resource Centre and Data Bank	56.63
Uganda Coffee Development Authority	79.91
Local Governments	75.00
Average sector performance	**61.80**
Agricultural Credit Facility	76.23

Source: Field findings

Performance was however constrained by low disbursement of funds to implementing agencies, slow procurements, low readiness in sector institutions to implement donor financed interventions, late submission of accountabilities, delayed distribution of inputs, drought and use of funds of FY 2018/19 to implement activities that spilled over from FY 2017/18.

5.2 Agricultural Credit Facility

5.2.1 Introduction

The Government of Uganda (GoU) is implementing the Agricultural Credit Facility (ACF) since 2009 to provide subsidized medium and long term financing to farmers/firms engaged in agriculture, agro-processing and trade. The ACF terms of conditions have been amended progressively over the years with the latest Memorandum of Agreement signed in June 2018[16]. The GoU makes an annual contribution of Ug shs 30 billion to the revolving fund, commercial banks contribute 50% and Micro Deposit Taking Institutions (MDIs) and Credit Institutions (CIs) contribute 30% of the capital value of each loan to an eligible borrower.

The implementing agencies are MFPED, Bank of Uganda (BoU) and Participating Financial Institutions (PFIs). The terms of the ACF are: interest chargeable by the PFIs is 12% per annum while working capital for grain trade does not exceed 15% per annum; facility fees charged by PFIs not to exceed 0.5% of the credit facility amount; operating costs not to exceed 20% of total project costs; the maximum credit amount to an eligible borrower not to exceed Ug shs 2.1 billion and working capital for grain trade not to exceed Ug shs 10billion. Block allocations of to Ug shs 20 million were introduced for micro borrowers without collateral.

[16] GoU, 2018.

Cumulatively between FY 2009/10 and 31st December 2018, the GoU has remitted Ug shs 141.926 billion to the BoU ACF Escrow Account, of which Ug shs 212 million was disbursed in FY 2018/19 half year. The cumulative total disbursements by GoU and PFIs to 492 loan applications (76%) out of the 647 loan applications received amounts to Ug shs 307.803 billion (GoU – Ug shs 155.221 bn and PFIs – Ug shs 152.58 bn)[17].

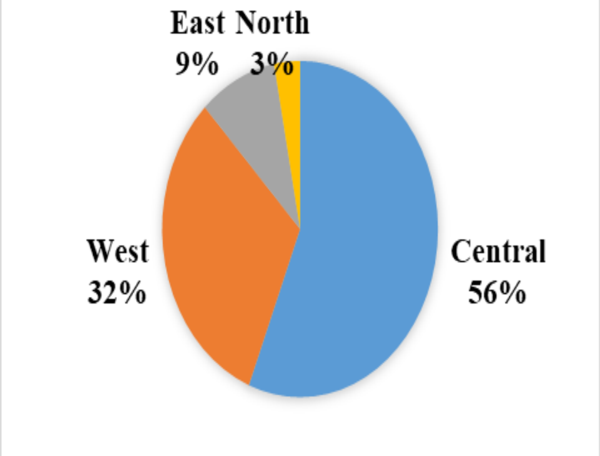
The opening balance on the BoU Escrow Account on 1st July 2018 was Ug shs 61,656 billion. Remittances from GoU to the ACF capital account amounted to Ug shs 212.129 million. During the half year, the total repayments from PFIs totaled Ug shs 14.420 billion, while disbursements to projects amounted to Ug shs 20.427 billion. By 31st December 2018, the fund balance/cash available was Ug shs 55.649 billion. The commitments amounted to Ug shs 14.294 billion, while the pipeline projects were worth Ug shs 51.012 billion (*BoU data*, *March 2019*).

5.2.2 Performance

During the half year FY 2018/19, a total of 66 farmers/firms received new ACF loans (totaling Ug shs 20.427 billion), of which Ug shs 3.232 billion (15.83%) was under the block allocations extended to 19 farmers/firms.

Regional inequalities in access to the ACF persisted and worsened compared to FY 2017/18 as beneficiaries in the Central region attracted more than half of the disbursed loans followed by the Western region by 31st December 2018 (Figure 5.1). The North and East had insignificant access to the ACF. The regional distribution of ACF in FY 2017/18 was Central (50%), Western (24%); Eastern (16%); and Northern (10%)[18].

Figure 5.1: Regional Distribution in Access to ACF by Beneficiaries by 31st December 2018



Source: Field findings

All the sampled farmers received the ACF loans as listed in the BoU schedules. The farmers undertook several investments ranging from trading grain, procurement and installation of agro-processing facilities and maize mills, procurement of high grade animals; importation of hi-tech machinery for processing feeds, foods, fruits, grains and other products; establishment of warehouses; procurement of tractors and other farming implements and general expansion of farm operations.

[17] BoU, 2018.

[18] MFPED Annual Budget Monitoring Report 2017/18.

Commercial tomato production in green house that was established using ACF on Mr. Kasaijja's farm in Masindi District

Mr. Kasaijja's farm located in Bubanda II village, Ntooma parish, Bwijanga sub-county Masindi District expanded rice cultivation from 5 to 50 acres after acquiring a tractor and increased production from 30 bags of rice in FY 2017/18 to 300 bags of rice by 31st December 2018.

The main challenges were: poor quality of herbicides, fertilizers, equipment and seeds that reduced the profitability of the enterprises. The funds disbursement modality that did not allow drawing funds against a credit line and in line with the production cycle. Interest was being paid on funds that were not productive and not yet due for use by the beneficiary.

Kazire Health Products Ltd in Luti village, Nyamitanga Division, Mbarara municipality in Mbarara District accessed Ug shs 1.3 billion in FY 2018/19 that was used to procure a generator and establish additional storage facility. The company had just completed a previous loan that involved procurement of crushing and chilling machines that more than doubled the production levels. The additional machinery led to enhanced sanitation and hygiene and human safety in the milling spaces, with less workers employed due to mechanization. From 140 permanent workers in FY 2016/17, the company had 30 permanent workers (10 males and 20 females) and on average 75 casual labourers

Agri-Net Uganda Limited located on Mile 8 Tororo-Jinja road in Tororo District accessed a line of credit worth Ug shs 100 million, out of which Ug shs 90 million was utilized for grain trade by 31st December 2018. The company had contracts with 5,270 farmers who supplied the grain under the ACF agreement. They employed six permanent staff (two females and 5 males) and 25 casual labourers (10 males and 15 females) to handle the grain business. The main challenges where the additional costs of processing the loan (life insurance 0.5%, company evaluation Ug shs 2 million, audit fees Ug shs 1 million) that made the facility less profitable; and limited information and awareness about the ACF in Eastern Uganda.

Eastern Rice Company Ltd in Malawa A. village, Papoli parish, Magola sub-county, Tororo District accessed Ug shs 5 billion that was used in trading grain. The main challenges were: the poor quality of rice delivered by farmers due to inadequate guidance from extension staff on good farming methods, use of water for production and proper post-harvest handling; and price fluctuations that affected profitability of the business.

Grain procured and packaged using ACF funds at the Eastern Rice Company Limited in Tororo District

ACF financed imported compact freezers and compressor machine in box packages awaiting completion of housing structure to be installed at HMH-Rainbow Ltd in Luwero District

The ACF has expanded employment opportunities to Ugandans. For example, due to the procurement of additional machinery and equipment using the ACF, **HMH-Rainbow Ltd** (Yo-Kuku) in Luwero District procured from local farmers, processed and sold 450,000 poultry birds on a monthly basis. The firm employed 400 workers (40% female and 60% male);

Sugar cane cultivation and production by **Uganda Farmers Crop Industries Limited** in Buikwe District increased after the procurement of 12 tractors, excavator, grader, three tippers and four trucks. By 31st December 2018, the sugar estate employed 700 workers of whom 466 (66.57%) were female and 234 (33.43%) male.

Arise and Shine Maize Millers Ltd in Kawempe Ttula village, Lukadde parish, Nansana Municipality that accessed Ug shs 2.8 billion was employing 115 employees (12 females and 103 males).

ACF financed grain being off loaded and stored at Arise and Shine Maize Millers Ltd in Wakiso District (right), and ongoing works for additional storage capacity at Biyinzika Enterprises in Wakiso District

Challenges

i) Loss of Government funds through poor scrutiny of proposals resulting in an increasing number of delinquent loans; the number of delinquent loans had increased from six (totaling Ug shs 2.122 billion) by 30th June 2014[19] to 15 (worth Ug shs 3.127 billion) by 30th June 2018[20].

ii) The BoU lacked an annual work plan and targets for ACF which made tracking of performance difficult.

iii) Lower production and profits from farm investments due to lack of extension services and input and machinery quality assurance by MAAIF and agencies. There was no collaborative linkage between the ACF programme and technical/extension staff within the local governments and MAAIF to quality assure the size and types of equipment and machinery, quality of seed and chemicals and give regular advice to farmers.

iv) Less profitability of investments due to delayed processing of loan applications by up to one year.

Recommendations

i) The MFPED should undertake an evaluation of ACF to access performance of all the projects under implementation; and collaborate with BoU and PFIs to strengthen mechanisms for proposal scrutiny and supporting farmers during implementation.

ii) The BoU in collaboration with MFPED and PFIs should prepare annual work plans and targets for the ACF which would form a basis for monitoring performance.

iii) The MFPED and BoU should establish a framework of collaboration with MAAIF and LGs to provide advisory services, monitor and supervise the agricultural investments under the ACF; and leverage other partners to provide complementary services like quality affordable equipment.

iv) The BoU should strengthen supervision of PFIs to ensure that loan applications are expeditiously processed within no more than three months from date of submission of application,

Overall performance of the Agricultural Credit Facility

The overall performance of the ACF in FY 2018/19 half year was good rated at 76.23% (Table 5.3). The lower performance was due to a combination of factors: the rather long period (ranging between three to 12 months) between submission of an application and access by the beneficiary; the high interest rate and short loaning period for the grain facility; long period taken by firms to import machinery; inadequate operating funds; and less funds disbursed to beneficiaries than requested for due to inadequate collateral. All these factors lowered the profit of the ACF investments.

Table 5.3: Performance of the Agricultural Credit Facility by 31st December 2018

Output	Annual Budget (Ug shs 000')	Cum. Receipt (Ug shs 000')	Annual Target	Cum. Achieved Qty	Physical performance Score (%)	Remark

[19] BoU, 2014.

[20] BoU, 2018a.

Tractor procured and green house for vegetables established on Mr. Kasaijja farm in Masindi district (Number of items)	90,000	90,000	2.00	2.00	0.29	All ACF terms were adhered to.
Storage facility constructed and Generator procured and installed at Kazire Health Products Ltd in Mbarara district (number of items)	1,300,000	1,300,000	2.00	1.40	2.89	The 500KVA generator was procured and installed; the storage facility was 40% complete.
Grain traded by Mr. Tumuramye in Kabale district (activity)	500,000	500,000	1.00	1.00	1.59	The short lending period of 24 months and high interest rate were key challenges.
Farm improvements established on Mr Rukundo's farm in Rukungiri district - 1 spray race, 1 biogas plant, 4 bunkers, 1 tank for bio-celery plus piping, 2 dams, 1 silage pit, 10 high grade animals, bush cleared (number of activities/items)	90,000	90,000	21.00	17.00	0.23	All planned activities done except for the dams, spray race and bush clearing due to inadequate funds.
Grain traded by Agri-Net Uganda Limited in Tororo district (MT)	100,000	100,000	150	100	0.21	Challenges of lengthy loan processing period of year; untimely disbursements, high interest rate and loss of profits as funds were accessed off season for

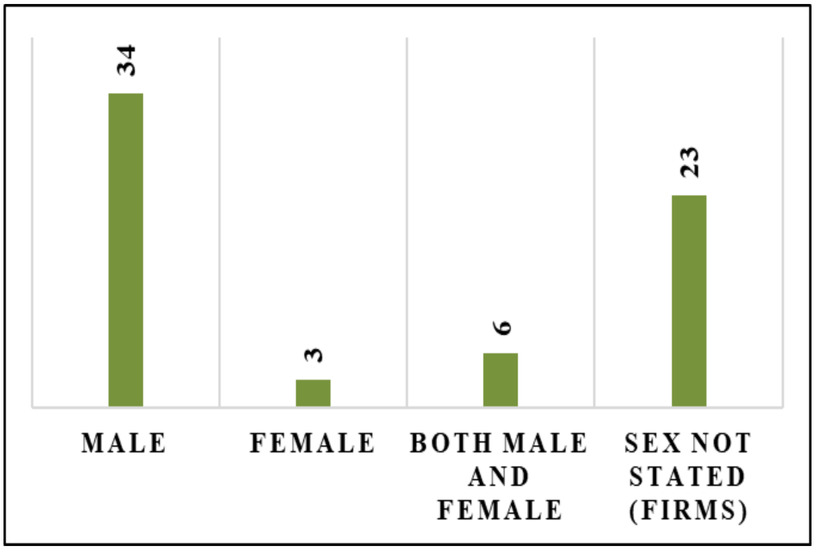
						grain trade.
Grain traded by Eastern Rice Company Limited in Tororo district (MT)	5,000,000	5,000,000	3500	3500.	15.88	1,500 MT of maize and 2,000MT of rice grains were traded.
Grain traded by Arise and Shine Millers Limited (MT) in Wakiso district	2,800,000	2,800,000	3000	4000	8.89	Cost of borrowing was higher due to additional charges such as URA stamp duty 1% equivalent to Ug shs 28m that was paid.
Machinery and equipment procured and infrastructure repaired by Uganda Farmers Crop Industries Ltd in Buikwe district - 1 grader, 1 excavator, 5 tractors, 3 tippers, 4 trucks, 2 bridges, farmer fields opened (Number of equipment/activities)	5,000,000	5,000,000	17.00	23.00	15.88	All equipment was procured except for the grader; the firm opted to buy 12 second hand tractors instead of 5 new ones. Nine months spent processing the loan.
Two compact compressors and one compressor procured by HMH - Rainbow Limited in Luwero district (Number)	4,800,000	2,000,000	3.00	3.00	15.25	The company procured 5,000MT for chicken feed.
Warehouse constructed, milling huller procured and grain traded (1000MT) by Mr. Irumba in	1,200,000	1,200,000	1002	600.8	2.29	600MT of grain was procured and warehouse construction was 80% completed; loan

Kyankwanzi district (MT and number of investments)						processing took more than a year due to delays in KCCA to process the deed plan for collateral; high interest rate was a challenge.
Mr Nsengiyunva farm in Kiboga district expanded - 3 paddocks, 100 bulls, 15 cows, 160 acres of bush cleared (acres and number of items)	100,000	100,000	278	277	0.32	All planned investments were made except for one paddock that was not established due to inadequate funds.
Grain traded and two silos and maize mill procured by Biyinzika Enterprises Limited (number of investments)	10,500,000	10,500,000	4.00	1.50	12.51	Over 8000MT purchased; machinery was still under procurement; civil works were ongoing for the foundation base upon which the machinery would be installed.
Programme Performance	**31,480,000**	**28,680,000**			**76.23%**	

Source: Field findings

Gender

Figure 5.2: Access to ACF by Business Proprietors by Gender by 31st December 2018 (number)



Source: Field findings

Gender inequalities still persist in access to the ACF, with less females accessing the credit facility compared to males. Key constraints to accessing the ACF by female entrepreneurs were: financial illiteracy; lack of key assets like land where investments can be undertaken, and lack of capital to finance operations of the business

5.3 Cotton Development Organisation

5.3.1 Introduction

The Cotton Development Organization (CDO) Vote 155 is mandated to monitor the production, processing and marketing of high value cotton and its by-products. The strategic objective of CDO is to increase cotton production and quality with the aim of contributing to the national economy through increased incomes. The CDO has one programme - Cotton Development and two sub-programmes - 01 Headquarters, and Project 1219 Cotton Production Improvement. Both sub-programmes were monitored and the areas that were sampled are presented in Annex 1.

Cotton Development Programme

The approved budget for Cotton Development Programme in FY 2018/19, excluding Appropriation in Aid (AIA) is Ug shs 4.994 billion, of which Ug shs 4.885 billion (98%) was released and Ug shs 2.077 billion (43%) spent by 31st December 2018.

5.3.2 Headquarters

Background

Under the Headquarters sub-programme, the CDO provides services to 65 cotton growing districts through the following regions: West Nile, Western, Mid-West, Lango, East Acholi, West Acholi, Bugisu /Teso, Pallisa, Pader Project, Tororo, Busoga. The CDO collaborates with Uganda Ginners and Cotton Exports Association (UGCEA) to procure, process and distribute cotton seeds and inputs (pesticides, herbicides, spray pumps, tractor hire services) to farmers.

The approved budget for Headquarters sub-programme for FY 2018/19 is Ug shs 583.597 million, of which Ug shs 519.032 million (89%) was released and Ug shs 268.715 million (52%) spent by 31st December 2018. This was a very half year good release and poor expenditure performance. The recurrent budget that was front loaded was not absorbed.

Performance

During FY 2018/19 semi-annual, the CDO provided cotton planting seed, extension services and other inputs to farmers in the cotton growing areas. Farmer mobilization and sensitization was undertaken and mechanization services were offered to enhance land opening in readiness for cotton planting. In the 65 cotton growing areas, the CDO supplied 2,648 Mt of seed, established 4,182 one-acre demonstration sites, provided technical support to 38 prison farms, established about 6,500 acres under seed multiplication, provided assorted input and trained the farmers.

All the farmers that were monitored were able to access the CDO inputs at the regional offices or from agents. The main challenges faced at farm level were: low production due to pests and diseases and ineffective pesticides; drought; inadequate tractors and ploughs for opening land

and lack of spray pumps. The detailed performance of the Headquarters sub-progamme is presented in Table 5.4.

Challenge: i) Lower production and productivity due to harsh climatic conditions.

Recommendation: i) The MAAIF, NARO and LGs should promote adoption of simple appropriate irrigation technologies by farmers.

5.3.3 Cotton Production Improvement

Background

In 2012, CDO commenced the Cotton Production Improvement sub-programme to establish the first government seed processing plant in Pader District. In FY 2013/14, the CDO acquired 16 acres of land in Pajule sub-county. Construction of the first phase of the facility was undertaken during FY 2014/15 to FY 2017/18. The second phase works commenced in FY 2017/18.

The approved budget for the sub-programme for FY 2018/19 is Ug shs 4.994 billion, of which Ug shs 4.885 billion (98%) was released and Ug shs 2.077 billion (43%) spent by 31st December 2019. This was very a good release, but poor expenditure performance. The funds that were frontloaded for this sub-programme were not absorbed.

Performance

The phase 2 works were completed and the cotton seed dressing plant was in operation by 30th January 2019. The completed certified works were: front office block and weighbridge; raw seed cotton and unprocessed cotton seed stores; cyclone block and toilet block. The installation of the decommissioned machines from the CDO dressing stations in Lira, Kachumbala and Masindi and the imported machinery was completed. The delinting, grading, treating and packaging of seed had commenced, although partially.

The delinting machines were delivered with only two blank rollers (polythene as testing materials) that were not customised in terms of labeling seed variety, quantity, acreage, germination percentage and planting rate. These were inadequate and further packaging of seeds was constrained due to lack of these materials. The detailed performance of the Cotton Production Improvement sub-programme is presented in Table 3.4.


Completed store (left) and front office block and weigh bridge in operation (right) at the CDO Cotton Seed Processing Plant in Pader District

Challenges

i) Contamination with moisture and foreign bodies and wastage of seed cotton due to inadequate storage capacity. The CDO constructed a temporary shade to alleviate the problem which was already filled to capacity.
ii) Absence of mechanical workshops to repair machines expeditiously when there are mechanical breakdowns. This leads to loss of processing time.
iii) Inadquate power to operate the machines.
iv) Staff inefficiency due to lack of key infrastructure such as staff quarters. Staff report late and are not easy to supervise when they live in remote towns

Recommendations

i) The CDO should prioritise funds for providing additional key infrastructure and equipment at the Seed Dressing Station, particularly stores for both processed and unprocessed cotton, staff accommodation facilities and a standby generator.
ii) The CDO should establish a functional mechanical workshop at the seed plant premises.

Overall Performance of the Cotton Development Programme

The overall semi-annual performance of the Cotton Development Programme during FY 2018/19 was good rated at 74.68% (Table 5.4) based on seven out of the 10 regions that were monitored. Assorted cotton targeted inputs and extension services were made available to farmers; farmer mobilization was undertaken and demonstration sites were established. The phase 2 works at the Cotton Seed Dressing Station in Pader District were completed and the plant was functional.

However, the seed uptake was lower than targeted due to intermittent dry spells during the planting period (June to August) which affected crop establishment. For the same reason, some seed growers differed multiplication of seeds to the next season when there would be adequate rains. The dry spells during the planting period hampered mechanized ploughing.

At the cotton seed dressing station, some of the planned works for phase 2 where not undertaken due to inadequate funding and were differed to later phases. The regional offices received less pesticides, herbicides and pumps than what was target which reduced input availability to farmers.

Table 5.4: Performance of the Cotton Development Programme by 31st December 2018

Output	Annual Budget (UG Shs)	Cum Receipt Per Output (Ug Shs)	Annual Planned Quantity or Target	Cum. Achieved Quantity	Physical performance Score (%)
Output: 01 Provision of cotton planting seeds (MT)	266,797,653	238,797,653	2,800	2,648	2.187

Output: 02 Seed multiplication No. of seed growers registered and trained)	183,800,000	167,735,251	6,000	5,200	1.431
Output: 03 Farmer mobilisation and sensitisation for increasing cotton production and quality (No. of Demo plots)	118,000,000	102,500,000	4,000	4,182	0.967
Output: 04 Cotton targeted extension services (No. of extension workers)	199,000,000	78,000,000	400	390	0
Output: 05 Provision of pesticide and spray pumps (districts)	70,000,000	32,000,000	66	65	0
Output: 06 Mechanisation of land opening (acres)	15,000,000	10,000,000	-	69,393	0
Output: 72 Organize construction of a bale shed, storm water drainage and drive ways at the Seed Processing Plant in Pader (No. of investments)	3,830,000,000	3,785,000,000	3	1	10.588
Output: 77 Procure new seed delinting machine and transfer machinery from old sites to the new seed processing site in Pader	581,000,000	581,000,000	2	1	3.333
Administrative (Activities)	372,390,202	50,400,000	23	20	3.052
Output 05: Provision of pumps - motorised (number)	201,600,000	143,100,000	81	18	1.469
Output 05: Provision of pumps - manual (number)	170,400,000	1,208,945,000	3,408	2,862	1.397
Output: 01 Provision of cotton planting seed (bags/MT)	1,247,898,000	2,635,172,500	499,150	483,578	10.228
Output 05: Provision of pesticides (units)	4,585,292,000	33,182,000	1,505,900	855,038	37.129
Output: 02 Seed multiplication - herbicides (units)	78,880,000	281,880,000	4,845	2,186	0.646
Provision of fertilizer.	246,240,000	10,000,000	4,104	4,698	2.018
Motorcycles	35,000,000	-	17	4	0.236
Total				**-**	**74.680%**

	12,201,297,855	**-**	**-**		

Source: Field findings

Overall Vote Performance

The overall performance of the CDO by 31st December 2018 was good (74.68%). The release performance was very good, but resource absorption was low. The front loaded funds were not absorbed. Seeds, pesticides, herbicides, spray pumps and extension services were made available to farmers; however, uptake of the inputs was lower due to harsh climatic conditions. Planting was differed by farmers in some areas to later seasons. The construction of phase 2 works at the Cotton Seed Dressing Station were completed and the plant had commenced operations. The inadequacy of stores for processed and unprocessed cotton and lack of staff quarters were major challenges.

5.4 Local Governments

5.4.1 Introduction

The Local Governments (LGs) have responsibility for all decentralized services in the production sector. The LGs have one programme District Production Services and three sub-programmes – District Production Services (0182), District Commercial Services (0183) and Agricultural Extension Services (0181).

The semi-annual monitoring fully covered the programme. The districts visited are presented in Annex 1. The approved budget for the LG Production Sector in FY 2018/19 was Ug shs 122.967 billion, of which Ug shs 64.045 billion was released and fully spent by 31st December 2018. This was very good release and expenditure performance.

District Production Services

5.4.2 Production and Marketing Grant (including Commercial Services)

Background

The Production and Marketing Grant (PMG) supports implementation of MAAIF related functions in all Local Governments (LGs). Effective from FY2010/11, the PMG aims to: i) strengthen disease, pest and vector control and quality assurance services; and ii) strengthen the agricultural statistics and information system in local governments. The LGs spend 55% of the grant on development (Non-wage) activities particularly infrastructure and 45% on recurrent expenses. In addition, 30% of the grant is spent on commercial related activities.

A total of 18 districts listed in Annex 1 were monitored to assess the performance of the District Production Services programme.

Performance

The overall semi-annual performance of the PMG during FY 2018/19 was good rated at 88.5% (Table 5.5). Good performance was associated with timely receipt and disbursement of funds and implementation of planned activities. Procurements were ongoing for some of the capital items.

Table 5.5: Performance of the Production and Marketing Grant by 31st December 2018

Output	Annual Output Budget (Ug shs)	Cum Receipt Per Output (Ug Shs	Annual Planned Qty or Target	Cum. Achieved Qty	Physical performance Score (%)
Fish fry centres operationalised (number)	25,000,000	0	12	0	0.00
Farmers trained (number)	59,509,120	31,572,881	4,874	2,102	4.70
Irrigation schemes established (number)	50,500,000	0	2	0	0.00
Demonstration gardens for crop/Fish/Bees/dairy established/maintained (number)	107,313,954	11,212,000	83	32	10.42
Animal and crop disease surveillances conducted (No. of visits)	31,038,199	19,972,003	260	129	2.32
District farm gardens/ plantations established/maintained (No. of gardens)	37,481,840	19,320,840	2	2	3.64
Plant clinics established and maintained (No. of clinics)	62,496,983	23,919,536	3	2	6.07
Tsetse fly traps procured/distributed (No. of traps)	6,644,688	1,772,344	180	85	0.65
Bee hives procured and installed (No. of bee hives)	11,577,036	1,743,000	28	6	1.12
Sensitisation/inspections and monitoring conducted (No of visits)	158,819,705	77,640,761	1,015	540	15.43
Slaughter slabs constructed/ rehabilitated/slabs monitored	50,260,087	1,644,282	10	6	4.88

(No. of slabs)					
Animals vaccinated and treated (number)	14,560,000	3,654,800	95,558	21,675	1.28
Vaccination doses procured (Number of doses)	12,844,184	4,157,322	727	385	1.25
Vehicles/Motor cycles procured and Maintained (No.of vehicles)	51,195,855	16,141,122	24	10	4.97
Office & field equipment procured and maintained (number)	193,665,272	28,796,110	134	36	18.81
Consultative meetings to MAAIF /Radio talk shows Conducted (No. of visits/meetings)	50,060,162	27,556,000	140	69	4.35
Business inspections conducted (number of businesses)	95,292,816	34,292,245	2,298	700	7.83
National and regional level workshops conducted (No. of workshops)	11,286,000	5,123,000	16	5	0.75
Programme performance	**1,029,545,901**				**88.5%**

Source: Field findings

Challenges

i) High crop losses and lower production and productivity due to: a) drought and untimely planting associated with lack of reliable rain forecasts, b) Inadequate and low skilled production sector staff/extension workers, c) high prevalence of pests and diseases.
ii) Partial implementation of some planned activities due to: a) late releases and disbursement of funds from the district collection account to the implementing department associated with delayed accountabilities for previous funds and approvals by accounting officers on the systems, b) confusion on which funds were meant for which activities as the advisory from MFPED came late.
iii) Poor programme supervision due to lack of transport means for extension workers.

Recommendations

i) The MAAIF and LGs should retool all the district production staff and extension workers through refresher courses and facilitate them with transport means.
ii) The MFPED should hold accountable LGs to ensure that funds are disbursed timely to implementing departments and reporting is done.
iii) The MAAIF should collaborate with the Meteorology Department to provide accurate weather forecasts to farmers.

5.4.3 Agricultural Extension Grant

Background

Implementation of the Agriculture Extension Grant (AEG) interventions started in FY 2017/18 under the Directorate of Agricultural Extension Services in MAAIF, with finances channeled to districts through the ministry. In FY 2018/19, the programme was fully decentralized with LG Production Department with finances channeled directly from MFPED to the district collection accounts. Implementation guidelines where issued to LGs by MAAIF with a conditionality that 30% of releases were for district level activities and 70% for sub-county level activities. The approved budget for the AEG for LGs for FY 2018/19 is Ug shs 29.462 billion.

Performance

The overall semi-annual performance of the Agricultural Extension Grant in FY 2018/19 was fair rated at 61.51% (Table 5.6). A key challenge in performance tracking was that most districts did not have proper records on funds disbursement and utilization and actual physical performance especially at the LLG level. Hence, fewer districts visited were included in the analysis.

Some of the activities that were implemented by the LGs included: farmer registration and profiling, creation of multi-sectoral innovation platforms for the strategic commodities, setting up of farm level demonstration sites, collection of agricultural data and training. All districts had not yet concluded the capital procurements.

Table 5.6: Performance of the Agricultural Extension Grant by 31st December 2018

Output	Annual Budget (Ug Shs)	Cum.Receipt (Ug Shs)	Annual Planned Quantity or Target	Cum. Achieved Quantity	Physical Performance Score (%)
Exhibitions at the 2019 National Agricultural show conducted (enterprises exhibited)	4,600,000	3,066,667	4.00	1.00	0.26
Commodity value chain development innovation platforms held (Number of workshops)	34,748,000	18,040,667	95.00	12.00	1.28
Agricultural extension services supervised and monitored by district leaders (quarterly)	10,112,000	5,056,000	4.00	2.00	1.54

Demonstration sites and model farms set up for priority enterprises (Number of sites)	78,998,065	26,649,500	175.00	90.00	12.00
Extension kits and inputs for selected priority enterprises procured ((No of enterprises)	86,082,540	16,038,782	5.00	0.30	4.21
Farmers registered and a farmers register compiled (Register)	42,614,370	15,276,783	3.00	1.10	6.47
Agricultural statistics collected and analysed on quarterly basis (quarters)	39,291,600	10,619,210	12.00	2.60	4.78
The Presidential four acre model implemented (number of model households)	7,455,722	3,727,861	20.00	5.00	0.57
Extension workers facilitated to do monitoring activities (quarters)	17,179,389	8,589,695	5.00	3.00	2.61
Staff trained in various technical aspects (number of trainings)	24,610,000	12,240,000	8.00	3.00	2.82
Communications done for value chain actors (radio announcements and talk shows)	17,025,600	6,356,400	241.00	60.10	0.00
Farmers trained in improved agronomic practices and advisory services provided (number)	131,819,849	60,612,728	110,118.00	21,344.00	8.44
Study tours and farmer exchange visits conducted (number)	35,623,278	18,790,800	81.00	14.00	1.77
Assorted inputs procured - fertilisers, feeds, planting materials (lots)	101,878,787	50,939,394	9.00	4.00	13.75

Total	**658,456,337**				**61.51%**

Source: Field findings

There was increased adoption of improved farming practices by farmers countrywide due to improved access to extension services arising from the deepening of the single spine extension system in the local governments. This is likely to lead to enhanced agricultural production and productivity by the end of the financial year.

Programme implementation in Kayunga, Nebbi, Zombo, Oyam and Kamuli districts was slow due to delayed releases and disbursement of funds from the district collection account to the implementing department and late procurements. This was attributed to the challenges in transitioning from Tier 2 to Tier 1 on the IFMS, lengthy process of sourcing capable suppliers and contractors and low capacity among district officers to expedite the requisitions and approval processes on the systems.

In Tororo District, out of Ug shs 328.721 million that was released for the Production Sector, only Ug shs 149.980 million (45.62%) was spent by 31st December 2018. Under expenditure was due to late submission of accountabilities and requisitions from the LLGs to trigger disbursement of funds, staff shortage to implement the programmes and delayed initiation of procurements by the implementing departments.

In some districts like Kiryandongo, it was difficult to assess the performance of the AEG as funds had been aggregated as the Sectoral conditional Grant, inclusive of the PMG and the commercial services. This resulted into aggregated indicators and targets of performance and in some cases duplication of outputs.

Challenges

i) Poor accountability and duplication of activities under the two LG grants - Production and Marketing Grant (PMG) and Agricultural Extension Grant. They should be merged into one grant with clear activities. The districts also receive another grant District Development Equalisation Grant (DDEG) that addressed the same activities as PMG and Extension Grant, leading to use of funds from different sources for the same activities.
ii) Low performance and limited impact of the AEG due to the thin spread of resources to over 17 outputs as listed in the MAAIF implementation guidelines; inadequate staffing in the LLGs; and delayed accountabilities and requisitions from the sub-counties to the district.
iii) Loss of planting materials due to harsh climatic conditions.

Recommendations

i) The MFPED and MAAIF should merge all similar grants – PMG, Extension, DDEG – into one grant for the production department in LGs.
ii) The MAAIF should prioritise the outputs to be focused on and financed by the AEG for more impact.

iii) The MFPED should disburse the funds appropriated to the sub-counties directly to the sub-county accounts.

Overall performance of the District Production Services Programme

The overall semi-annual performance of the District Production Services Programme during FY 2018/19 was good (75%), taking into consideration the outputs delivered under the PMG and AEG. Farmers had increased access to extension services which led to improved adoption of good farming practices and production.

Overall Vote Performance

The Local Government Vote performance was good (75%) by 31st December 2018. Farmers were trained in improved agronomic practices; crop, animal, fisheries and apiary demonstration sites were set up to enhance farmer learning; key agricultural infrastructure such as slaughter slabs and plant clinics were established; animal vaccinations were done and extension services were delivered. Performance tracking was constrained by lack of credible data in the sector arising from poor reporting and expenditure tracking.

5.5 Ministry of Agriculture, Animal Industry and Fisheries

3.5.1 Background

The Ministry of Agriculture, Animal Industry and Fisheries (MAAIF)'s mission is to transform subsistence farming to commercial agriculture. The ministry coordinates sector interventions both at the central and local government level. The MAAIF has six programmes namely: Crop Resources; Directorate of Animal Resources; Directorate of Agricultural Extension and Skills Management; Fisheries Resources; Agriculture infrastructure, mechanization and Water for Agricultural Production; and Policy, Planning and Support Services. Five out of the six programmes were monitored, the exception being Policy, Planning and Support Services.

Agriculture infrastructure, Mechanization and Water for Agricultural Production Programme

5.5.2 Improving Access and Use of Agricultural Equipment and Mechanization

Background

The Government of Uganda (GoU) is implementing the Improving Access and Use of Agricultural Equipment and Mechanisation sub-programme that aims to enhance agriculture production and productivity through excavation of water for production facilities, bush clearing and opening of farm roads. The overall targets for the three-year period (07/01/2015-06/30/2018) were 500 valley tanks excavated/rehabilitated, 5000 acres of bush cleared and 2000 farm roads opened up. During FY 2018/19, the project was granted a two-year extension to enable completion of the planned outputs.

The focus in FY 2018/19 was to establish community water for production facilities to mitigate the problem of low agricultural production and productivity due to harsh weather conditions. The planned activities for FY 2018/19 included: Procurement/establishment of 6 new sets of heavy equipment; revamping Namalere Training Centre; capacity building of MAAIF staff, farmers, engineers, and operators and farmer organisations; awareness creation about the equipment availability and maintenance of machinery.

The approved budget for the sub-programme for FY 2018/19 is Ug shs 27.340 billion, of which Ug shs 17.364 billion (64%) was released and Ug shs 12.366 billion (71%) spent by 31st June 2018. This was very good half year release and good expenditure performance. The front loaded funds were not spent.

Performance

The overall semi-annual performance of the Improving Access and Use of Agricultural Equipment and Mechanisation sub-programme during FY 2018/19 was fair rated at 61.41% (Table 5.7). The MAAIF constructed and rehabilitated valley tanks and dams and fish ponds, cleared bush and ploughed farmers' and communities' fields across the country.

Table 5.7: Performance of the Improving Access and Use of Agricultural Equipment and Mechanisation Sub-programme by 31st December 2018

Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Qty	Physical Performance Score (%)
Output 010583 Valley Tank and Other Facilities Construction: Valley tanks, dams and fish ponds constructed and de-silted (number)	11,160,000,000	9,367,201,548	160	84	27.02
Output 010583 Valley Tank and Other Facilities Construction: Bush cleared (acres)	480,000,000	280,000,000	5500	12000	1.86
Output 010583 Valley Tank and Other Facilities Construction: Farm Access Roads opened and improved (Kms)	465,432,000	263,000,000	100	100	1.80
Output 010583 Valley Tank and Other Facilities Construction: Opening and ploughing of bush cleared areas undertaken (acres)	25,000,000	5,000,000	2000	8500	0.10

Output 010577 Purchase of specialised machinery and equipment: Procurement and payment of the of 5 sets of heavy equipment and accessories, 6 pickups, 2 drilling rigs, 10 tractors, 2 mobile workshop vans undertaken (no. of items)	13,381,835,678	6,500,000,000	25	7	29.86
Output 010572 Government Buildings and Administrative Infrastructure: 2 regional Centres in Agwata and Buwama and Namalere referral mechanisation workshop constructed/rehabilitated (number)	120,000,000	120,000,000	3	1	0.00
Output 010577 Purchase of specialised machinery and equipment: Maintenance of equipment and vehicles (number)	200,000,000	130,000,000	60	48	0.77
Programme Performance	**25,832,267,678**	**16,665,201,548**			**61.41%**

Source: Field findings

However, performance was lower as procurements of most equipment and machinery were in initial stages and construction/rehabilitation of the two regional Centres in Agwata and Buwama and Namalere referral mechanisation workshop had not started by 31st December 2018. Inspection, verification, designs and bills of quantities were initiated for the regional centres.

MAAIF excavated community dam with unlevelled soil piles in Buikwe District (left), and valley dam without means of drawing water and troughs in Kaganja village Nakasongola District (right)

One of the MAAIF machines that stalled in Nebbi District for over a month due to lack of spare parts, (right) and incomplete dam at the National Farmers Leadership Centre in Kampirigisa village, Mpigi District

Challenges

i) Except in a few cases, all the dams and valley tanks were not in use due to lack of water pumps, pipes and troughs to draw and use the water from the deep structures. Access by the communities to the water was also hindered by the huge piles of excavated soils that were not leveled but left on the sides of the infrastructures.

ii) High exposure of humans and animals to death in the water for production facilities which were not fenced.
iii) Cases of incomplete structures were noted in some districts such as in Mpigi where the machinery failed to excavate during the rain seasons.
iv) Delay in completion of infrastructures on schedule due to breakdown of the machines and poor maintenance.

Recommendations

i) The MAAIF should complete installation of the water pumps, piping and troughs on the water for production facilities that were established.
ii) The MAAIF should collaborate with the LGs and communities to ensure that all the facilities are fenced.
iii) The MAAIF should monitor and ensure completion and quality for all the infrastructures that were established.
iv) The MAAIF should fast track establishment of the regional mechanical workshops to reduce time and costs of maintaining the machines.

Crop Resources Programme

5.5.3 Agricultural Cluster Development Project

Background

The Agriculture Cluster Development Project (ACDP) is a World Bank/GoU funded project that aims to raise on-farm productivity, production and marketable volumes of maize, beans, cassava, rice and coffee in specified geographical clusters covering 40 districts. Implemented by MAAIF, the project is estimated to cost US$ 248 million to be contributed as an International Development Association (IDA) Credit (US$ 150 million) and GoU counterpart funding (US$ 98 million) over the period 9th April 2015 to 31st March 2022[21].

The project was designed to start as a pilot in FY 2016/17 in five districts (Iganga, Amuru, Nebbi, Kalungu and Ntungamo) involving provision of subsidized agro-inputs to 450,000 farm households through electronic vouchers issued by an Electronic Voucher Management Agency (EVMG); provision of water for production to promote irrigated rice varieties and matching grants to farmers and infrastructure to enhance market linkages, post-harvest handling, storage and value addition.

Although the project was approved and the financing agreement signed by Government in September 2016, it only became effective on 23rd January 2017. Delays in declaration of project effectiveness arose due to low readiness of MAAIF to meet the prior conditions of establishing a Coordination Unit, developing a project implementation manual, designing e-Voucher system and enhancing staffing capacity.

Performance

The semi-annual performance of the Agricultural Cluster Development Project during FY 2018/19 was poor rated at 32.71% (Table 5.8). Underperformance was due to delayed completion of the e-voucher system (EVS) by the EVMG that resulted in implementing the project in one out the five pilot districts; and delayed initiation of procurements and contracting. The EVS was formally launched in Kalungu district in November 2018. A total of 148 farmers (17%) out the 866 farmers enrolled on the EVS in Kalungu District benefitted from the input subsidies. The Coordination Unit was established and was fully functional.

[21] World Bank, 2015.

Table 5.8: Performance of the Agricultural Cluster Development Project by 31st December 2018

Output	Annual Budget (Ug shs 000')	Cum. Receipt (Ug shs 000')	Annual Target	Cum. Achieved Qty	Physical performance Score (%)	Remark
Beneficiary farmers (at least 30% female) provided with subsidized inputs through e-voucher system (number)	39,943,320	275,000	131500	148	11.61	The project only piloted in Kalungu District.
Stakeholder engagements and sensitization undertaken in the rollout districts (number of districts)	910,000	910,000	13	13	1.62	The kits were to be disseminated in Q3.
Soil testing kits procured and disseminated	80,000	75,000	200	200	0.14	
Farmers and farmer organizations registered in districts (number of districts)	540,000	340,000	18	22	0.96	More districts came on board after redistricting.
Grievance Redress Committees (GRC) operationalised in districts (number of districts)	180,000	180,000	18	5	0.09	A total of 244 GRCs were established in the five pilot districts.
Road chokes on farm access roads identified, surveyed and approved for rehabilitation works (activity)	540,000	399,000	1	1	0.96	
Potential site specific Environment and Social risks and impacts identified and corresponding Environmental and Social Management Plans (ESMPs) developed	648,000	180,834	18	5	1.15	Focused on the 5 pilot districts.

(number of districts)						
A Regulatory Impact Assessment (RIA) for Agricultural Mechanisation done (activity)	130,000	66,940	1	1	0.23	
Solar powered irrigation systems installed at ZARDIs (Number of sites)	2,100,000	0	7	3	0.00	The contractor was procured.
Small holder coffee irrigation systems designed and established (No of sites)	1,860,000	0	15	3	0.00	Field surveys and hydrological assessments were undertaken, procurement was ongoing.
Input quality assessment report prepared (No. of reports)	150,000	150,000	1	1	0.27	
Consultancy Services for Project Baseline Survey undertaken and Report produced (No. of activities)	1,666,002	457,800	2	1	2.70	The contractor was procured and inception documents were under review.
Furniture supplied (activity)	179,550	179,550	1	1	0.32	
Motor vehicles procured - 25 double cabins, station wagons, 2 salon cars, 27 motor cycles (number)	6,530,720	6,183,682	55	53	11.61	Procurement commenced for two salon cars.
Design and development of the Agriculture Geo Portal Platform undertaken (activity)	186,086	0	1	0	0.00	The contract was signed.
ICT equipment and Hybrid Power systems supplied and installed (No. of systems)	595,326	595,326	2	2	1.06	
Programme Performance	**56,239,004**	**9,993,132**			**32.71%**	

Source: Field findings

In the five pilot districts, 33,230 farmers were registered under this sub-programme, of whom 2,470 were enrolled and 148 benefitted from the subsidies by 31st December 2018. The agro-inputs supplied to the farmers included: 322kg of fertilisers for 148 farmers; 11 litres of insecticides for 11 farmers; 80 litres of herbicides for 37 farmers, and 358 tarpaulins and bags for 212 farmers.

Challenges

i) Slow and partial implementation of planned activities: a) delayed establishment of the e-payment gateway, hindering connectivity for seamless payment of agro-input dealers, b) delayed initiation of procurements by user departments and protracted procurement processes, iii) delayed access to funds by LGs from the District General Collection Accounts.
ii) Low turn up of farmers for training due to poor mobilization; this led to fewer farmers being registered and enrolled into the programme.
iii) Higher administrative costs due to redistricting that increased the number of implementing districts from 42 in the financing agreement to 47.

Recommendations

i) The NITA-U and MAAIF should fast track operationalization of the e-payment gateway.
ii) The MAAIF and LGs should enhance community awareness and mobilization to improve farmer registration and enrolment into the programme.
iii) The MFPED, MAAIF and World Bank should review and revise the project financing agreement to internalize the additional administrative costs.

Directorate of Animal Resources Programme

5.5.4 Farm Based Bee Reserve Establishment

Background

The Farm Based Bee Reserve Establishment sub-programme is a GoU funded intervention aimed at establishing bee reserves at farm level to reinforce community commitment for protecting and sustainably managing the bee resource in Uganda. The planned outputs over the five-year period (2015-2020) are: 480 bee reserves established and supported in 24 project districts; 2,400 mother colonies identified and supported; 24 honey collection and value addition centres established and supported; and 240 acres of bee forage established.

The approved budget for the sub-programme during FY 2018/19 is Ug shs 1.235 billion, of which Ug shs 779 million (63%) was released and Ug shs 714 million (92%) spent by 31st December 2018. This was very good release and expenditure performance. **However, the implementing departments were only able to access Ug shs 392.980 million (55%) of what was disbursed and utilized, the rest (Ug shs 321.02 million or 45%) having been allocated to other activities in MAAIF without their authorization**.

Performance

The semi-annual performance of the Farm Based Bee Reserve Establishment sub-programme during FY 2018/19 was poor rated at 10.34% (Table 5.9). Low performance was attributable to two key factors: diversion of funds from the project to other ministry activities, and introduction and resourcing of a second output 010205 Vector and Disease Control Measures in the sub-programme that was not budgeted for at project inception. The available resources were divided amongst two outputs instead of one output leading to lower performance.

Table 5.9: Performance of the Farm Based Bee Reserve Establishment Sub-programme by 31st December 2018

Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Planned Qty or Target	Cum. Achieved Qty	Physical Performance Score (%)
Output 010203: Promotion of Animals and Animal Products: Honey collection and value addition centers established (Number of districts)	90,000,000	90,000,000	24.00	12.00	3.65
Output 010203: Promotion of Animals and Animal Products: Farm based bee reserve forage plantations established (number of districts)	23,000,000	23,000,000	24.00	15.00	1.17
Output 010203 Promotion of Animals and Animal Products: Beehives and other beekeeping equipment procured and distributed. (Number of bee hive sets)	30,000,000	29,000,000	96.00	5.00	0.13
Output 010203 Promotion of Animals and Animal Products: Motor vehicle expenses (Number of Vehicles)	6,000,000	12,000,000	6.00	6.00	0.24
Output 010203 Promotion of Animals and Animal Products: other promotional activities implemented (Number)	550,000,000	0	6.00	0	0.00

Output 010205 Vector Disease Control Measures: Community sensitization undertaken (number of shows)	11,000,000	31,000,000	1.00	1.00	0.32
Output 010205 Vector Disease Control Measures: Implementation of Tsetse and Trypanosomiasis control supported (litres of insecticides)	90,000,000	40,000,000	430.00	0	0.00
Output 010205 Vector Disease Control Measures: Office expenses on quarterly basis (quarters supported)	4,000,000	4,000,000	4	0	0.00
Output 010205 Vector Disease Control Measures: Tsetse suppression activities undertaken (Number of districts)	15,000,000	0	50.00	0	0.00
0utput 10209 Vector and Disease Control in Priority Animal Commodities supported: (Number of activities)	285,000,000	0	8.00	-	0.00
0utput 10209 Vector and Disease Control in Priority Animal Commodities: Controlling vector and animal disease supported (Number of activities)	90,000,000	96,000,000	6.00	4.00	4.57
0utput 10209 Vector and Disease Control in Priority Animal Commodities: Tsetse control activities undertaken in Karamoja sub region (Number of regions)	10,000,000	30,980,000	1.00	1.00	0.26
0utput 10209 Vector and Disease Control in Priority Animal Commodities: Motor vehicle expenses for Tsetse Control activities (Number of motor Vehicles)	28,000,000	14,000,000	0	0	0.00
Total	**1,232,000,000**	**369,980,000**			**10.34**

Source: Field findings

Five sets of bee hives and bee keeping equipment were procured and were still in MAAIF stores awaiting engraving by 31st December 2018. These included 100 beehives, 50 catcher boxes, 15 overalls, 15 pairs of groves and 20 smokers. Three sets of honey processing equipment were procured awaiting distribution to the districts. Monitoring of bee reserves was undertaken in the districts of Masaka, Lwengo, Kalungu, Bukomasimbi, Sembabule, Gomba, Kayunga, Buyende, Iganga, Kaliro, Mayuge, Buikwe, Mukono and Luuka.

Challenges

i) Partial achievement of outputs due to diversion of funds to other ministry activities; and inclusion of additional unplanned activities into the sub-programme. It is unlikely that the planned outputs of the sub-programme for the five-year period shall be achieved. Most outputs were not achieved yet the subprogramme was left with one year to completion date.

Recommendations

i) The MFPED should ensure compliance of MAAIF to the Public Finance Management Act and enforce punitive measures for non-compliance.

ii) The MAAIF should review and refocus the project on the most important outputs that contribute to the achievement of the project goals and targets.

5.5.5 Meat Export Support Services

Background

The Meat Export Support Services Sub-programme aims at establishing a credible national veterinary meat export support service with four core intervention areas: a) construct, equip and operate veterinary export holding grounds and quarantine stations, b) provide startup capital to facilitate purchase of beef animals for quarantining and sale to abattoirs, c) establish and operate a livestock identification and traceability system, and d) establish adequate meat export technical capacity in the meat export value chain.

The expected outputs over the five-year period 2015/16 to 2019/20 are: six quarantine stations and holding grounds established in selected farms; 4,000 beef animals purchased for each holding station; about 1,000 farmers organized in 33 cooperative organisations with a total of at least 100 ranches; and infrastructure development in six Government stock farms to build capacity to supply 250 ready to slaughter export grade cattle to the Egypt Uganda Food Security Company (EUFS) at Bombo, Luwero district. The MAAIF is the implementing agency that undertakes infrastructure development through tendering services to the National Enterprise Corporation (NEC).

The implementation plan aimed at fast tracking establishment of the sub-programme at the National Leadership Institute (NLI) ranch in Kyankwanzi District and NEC ranch in Gomba District during FY 2015/16 and FY 2016/17. Starting FY 2017/18, the sub-programme would be rolled out to Nshaara Ranch and Ruhengyere Stock Farm in Kiruhura District; Kasolwe Farm in Kamuli District; Maruzi Ranch in Apac District; Lusenke Ranch in Kayunga District.

The approved budget for the Meat Export Support Services sub-programme for FY 2018/19 is Ug shs 21.457 billion, of which Ug shs 6.830 billion (31.83%) was warranted and Ug shs 3.774 billion (55.25%) spent by 31st December 2018. This was poor release and expenditure performance.

Performance

The overall semi-annual performance of the Meat Export Support Services sub-programme during FY 2018/19 was fair (55.43%) – Table 5.10. The performance of the sub-programme was fair compared to the poor release due to some unspent balances from FY 2017/18 that NEC used in 2018/19.

Table 5.10: Performance of the Meat Export Support Services Sub-programme by 31st December 2018

Output	Annual Budget (Ug shs) 000'	Cum. Receipt Ug shs) 000'	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Output 80: Two holding grounds constructed, equipped and operated at Government ranches	11,010,400	5,200,000	2	1	52.29	This was spill over works from FY 2017/18.
Output 07: High quality animals procured for the slaughter houses	7,683,750	1,200,000	4000	0	0.00	Procurement differed until completion of infrastructure.
Output 05: Disease control and quarantine services for animals destined for slaughter houses undertaken (activity)	1,200,000	0	1	0	0.00	Awaiting procurement of animals.

Output 03: Supervision and technical backstopping undertaken at Bombo abattoir, NEC and NLI (quarterly activity)	662,028	246,000	4	2	3.14	Fuel and allowances were availed in time and vehicles maintained.
Special trucks procured for movement of animals (activity)	500,000	0	1	0	0.00	
Overall Performance	**21,056,178**	**6,646,000**			**55.43%**	

Source: Field findings

Whereas it was planned that in FY 2018/19 two holding grounds would be constructed, equipped and operated in Lusenke and Nshaara Ranch in Kayunga and Mbarara districts, respectively, the funds were re-allocated to finishing spill over infrastructure development activities of FY 2017/18 at Kyankwanzi.

By 6th January 2019, the completed works at NLI Kyankwanzi were: nine square miles of bush cleared; 51.8km of fencing and 27 gates installed; two loading and offloading ramps, two spray races and two crushes were installed; 45km of access roads opened; water reticulation system established (300,000 litre water tank, 9km electricity distribution line, six valley tanks, 40km of transmission and distribution water pipelines, water pump).

Still under construction were: the veterinary office block at 40% completion; one out of four junior quarters unit at 40% completion; one out of two senior staff quarters at 70% completion.


Roads and gates (left) and spray race (right) established at NLI in Kyankwanzi District

The overall pace of project implementation is slow and behind schedule as planned interventions were undertaken in two out of six farms over the four out of the five-year period. It is unlikely that the planned activities will be completed by project end; not even 50% of the activities will be completed.


One of the loading and offloading ramps (left) and junior staff quarters under construction (right) at NLI Kyankwanzi in Kyankwazi District

Challenges

i) Delayed completion of rehabilitation works at NLI by two years due to inadequate and late disbursements from MAAIF to NEC. The NEC was still implementing works at NLI that were scheduled to be completed in FY 2016/17, this increased the cost of the works.
ii) Overgrowth with weeds of the new roads and fields as NEC lacked a maintenance budget. The infrastructure was to be maintained by the ministry after handover from NEC.

Recommendation

i) The MAAIF should prioritise and fast track disbursement of funds for completion of infrastructure development at NLI, commencement of works at Nshaara ranches and procurement of animals for fattening on the farms.
ii) The MAAIF should commence maintenance of established infrastructure at the NEC and NLI ranches.

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Fisheries Resources Programme

5.5.6 Promoting Environmentally Sustainable Commercial Aquaculture

Background

The Promoting Environmentally Sustainable Commercial Aquaculture sub-programme is a four year (June 2018 to July 2022) intervention by GoU aimed at improving food and nutrition security, household incomes and livelihoods through promotion of an environmentally sustainable, inclusive and climate resilient socio-economic development, focusing on a market oriented aquaculture value chain targeting national and regional markets, small holders and smallholder associations.

The sub-programme four year budget is Ug shs 36.478 billion to be financed through a grant under the European Development Fund (EDF) from the European Union (EU) amounting to 35.343 billion (96.89%) and GoU counterpart funding totaling Ug shs 1.135 billion (3.11%)[22]. A key conditionality of the grant is that all funds must be 100% committed by January 2020; any funds not committed by that due date will not be spent.

The MAAIF targets achievement of three key outputs over the project period: a sound policy and regulatory environment that promotes gender equality, women empowerment and mitigation of climate change established and enforced; two aquaculture parks established – land based park in Apac district and a water based park in Kalangala district; and post-harvest losses reduced and market opportunities for aquaculture fish and fish products created.

The approved GoU budget was Ug shs 275 million, of which Ug shs 141.030 million (51%) was released and Ug shs 117.267 million (83%) spent by 31st December 2018. For donor funding, it was planned according to the program document that Ug shs 5.387 billion would be spent in year one 2018/19[23]. The approved donor budget was adjusted to Ug shs 4.928 billion that was released and fully spent by 31st December 2018. This was very good half year release and absorption of both donor and GoU funding.

[22] MAAIF and EU, 2017.

[23] MAAIF and EU, 2017.

Performance

The semi-annual performance of the sub-programme during FY 2018/19 was poor rated at 18.08% (Table 5.11). Although the project was signed off in January 2017, operations started in November 2018 after the Programme Implementation Unit (PMU) was put in place. The delayed start of the project was attributable to the stringent European Union prior conditions for effectiveness and low readiness of MAAIF to expedite them in a timely manner. These included recruitment of key staff, hiring of consultants/Technical Assistance (TA) and procurement of materials.

Table 5.11: Performance of the Promoting Environmentally Sustainable Commercial Aquaculture sub-programme by 31st December 2018

Output	Annual Budget (Ug Shs)	Cum. Receipt (Ug Shs)	Annual Planned Qty or Target	Cum. Achieved Qty	Physical performance Score (%)
Regulatory Impact Assessment and policy regulatory gap analysis (Consultation meetings)	111,226,893	111,226,893	1	3	2.339
Reviewed and updated Rules & Regulations /Aquaculture & Feed rules (Consultation meetings)	76,019,736	76,019,736	1	0	0
Development and Updating of the Aquaculture Guidelines (Validation meetings)	170,749,928	170,749,928	2	0	0
Print and conduct a dissemination launch for the Fisheries and Aquaculture Policy	12,672,960	12,672,960	1	0	0
Draft Aquaculture Development Plan and Strategy (2020-2025) reviewed and updated (Workshops)	62,652,317	62,652,317	3	0	0
Publication of popular versions prepares for aquaculture guidelines.	216,109,098	216,109,098	1	0	0

Standard Operating Procedures (SoPs) and Codes of Practices (CoPs) for aquaculture establishments reviewed and updated (Consultative meetings)	74,889,515	74,889,515	3	1	0.525
National Control and Residue Monitoring Plan for the aquaculture establishments developed (Consultative meetings)	69,868,676	69,868,676	4	0	0
Environmental Social Impact Assessment (Consultative meetings)	99,845,651	99,845,651	3	0	0
Institutional Capacity Building (Internship Placements)	2,218,600,763	2,218,600,763	69	0	0
Call for Proposal for the result area 2 (Advertisements)	158,103,500	158,103,500	3	3	3.325
Land availability and demarcation for Kalangala Apac (meetings)	47,982,195	47,982,195	6	12	1.009
Feasibility /Market study/Bench marking (Visits)	137,255,026	137,255,026	2	2	2.887
Procurement of Motor vehicles and motor cycles	813,462,513	813,462,513	7	0	0.000
Office Operating expenses and fuel lubricants	208,885,000	208,885,000	4	2	2.197
Total	**4,478,323,770**	**4,478,323,770**	**0**	**0**	**18.088%**

Source: Field findings

The activities that were implemented by 31st December 2018 included: studies and surveys to establish availability of land and suitability of sites; sensitization of stakeholders in Kalangala and Apac districts; initiation of contracting processes for various service providers and hiring of consultants for the regulatory impact assessment. Most planned activities were differed into the subsequent quarters

Implementation challenges

i) Slow project execution and resource absorption due to delayed approvals and clearance of procurements (above Euro 30,000) by the EU and staffing by the Ministry of Public Service (MoPS);
ii) Poor planning and budgeting – the cost of land acquisition for the aquaculture parks (500 acres for Apac District and 20 acres for Kalangala District) and land compensations was not budgeted for in the original project agreement. The project milestones may not be delivered on time as this cost was not prioritized in the MAAIF budget for FY 2018/19.

Recommendations

i) The EU should increase the thresh hold requiring approvals to Euro 100,000 such that smaller procurements below that thresh hold are approved through the GoU processes.
ii) The MAAIF and MFPED should prioritize funding for land acquisition of this project.

Overall MAAIF Vote Performance

The overall semi-annual performance of the MAAIF during FY 2018/19 based on the sampled programmes and sub-programmes, was poor rated at 36.27% (Table 5.12). Poor performance was due to delayed initiation of procurements related to late submission of accountabilities; diversion of funds from planned activities to other ministry interventions; slow disbursements to implementing departments and delayed completion of the e-voucher system.

Table 5.12: Overall MAAIF Performance by 31st December 2018

Vote	Performance (%)
Agricultural Infrastructural Mechanisation and Water for Production Programme	61.41
Crop Resources Programme	32.71
Directorate of Animal Resources	32.88
Fisheries Resources Programme	18.08
Average sector performance	**36.27**

Source: Field findings

5.6 National Agricultural Advisory Services/Operation Wealth Creation

5.6.1 Introduction

The Government is implementing the National Agricultural Advisory Services (NAADS) since 2001 to increase food and nutrition security and incomes of farming households. The programme was restructured in FY 2014/15 to deliver the Operation Wealth Creation (OWC) intervention that focuses on: provision of strategic commodities to support multiplication of planting and stocking materials; management of agricultural input distribution chains; and value addition and agribusiness business development.

The NAADS/OWC is constituted of one programme Agricultural Advisory Services with two sub-programmes: 01 Headquarters and 0903 Government Purchases. Both sub-programmes were monitored in 18 districts (Annex 1).

Agricultural Advisory Services Programme

5.6.2 Government Purchases

Background

The Government Purchases sub-programme mainly focuses on provision of strategic inputs and commodities to farmers. This sub programme accounted for 98% of the total allocation to the Agricultural Advisory Programme.

The approved budget for the Government Purchases sub-programme for FY 2018/19 is Ug shs 244.851 billion, of which Ug shs 158.061 billion (65%) was released and Ug shs 103.261 billion (65.3%) spent by 31st December 2018. This was very good half year release and fair absorption of the funds. The frontloaded funds were not fully absorbed.

Performance

The following strategic commodities were distributed to farmers and farmers' groups by the NAADS Secretariat by 31st December 2019: maize (3.124 mt); bean seed (0.315mt); banana suckers (368,820); seed potato (6,856 bags); heifers (837); improved pigs (100); day old layer chicks (8,400); Kuroilers (12,000), tractors (110) and poultry feeds (72,240kgs).

Most of the monitored districts received the inputs, solar powered irrigation equipment and value addition machinery, although in lesser quantities than allocated. Some districts like Zombo did not receive cassava cuttings, irish potato seeds, dairy cattle and pigs and value addition machinery that was allocated in the NAADS Secretariat advisory note; some chicks delivered in Kaliro district died due to stress during transportation over long distances. Some districts including Jinja, Kamuli and Karamoja sub-region differed receipt of inputs and planting to subsequent periods when rains were expected.

 

NAADS/OWC solar powered irrigation system installed at Mr. Buwembo's farm in Buwaga village Buikwe District, (left) and maize mill received by Namugongo Farmers' Cooperative Society in Industrial Area, Kaliro District (right)

The maize milling machine that was provided to Namugongo Farmers' Cooperative Society in Industrial Area Lumbuye parish, Kaliro Town Council in Kaliro District was of poor quality. After three months of operation, the machine broke down and the milling speed reduced. The cost of repairing the machine was on an increasing trend. The Cooperative had fabricated and replaced some of the parts of the machine to increase its efficiency.

In Bushenyi District, the Youth Forum Demonstration Farm in Igorora village, Mazinga Ward Nyakabirizi Division received 40 goats under a Presidential Pledge that were to be kept on the farm for demonstration purposes. However, the Youth Leader reported that the goats were given out and denied access for the monitoring team to visit the demonstration farm. The farm had also received an additional 60 goats by 16th January 2019 which were reported as distributed to the youth. The distribution lists were not available for review. This farm should be visited by the Office of the Auditor General to assess progress in implementation of the programme and accountability for the commodities that were received.

The detailed findings of this sub-programme in the monitored districts are presented in Table 5.13.

Challenges

i) Loss of materials and low production due to; drought, late delivery of inputs, poor quality of seedlings sourced and transported over long distances, inadequate mobilization and supervision of farmers by extension workers and unreliable meteorology information to guide farmers on planting periods.
ii) Low livestock productivity (2litres to 5 litres of milk per day on average) due to the poor quality of animal breeds distributed by NAADS/OWC.
iii) Inequitable access to inputs by farmers: the inputs were no longer sufficient to make a significant impact on production and household incomes and food security. Most districts received 2-3 commodities that were distributed to less than 10% of the farming

communities. Some of the inputs were wasted due to late deliveries and inadequate mobilisation and preparation of benefiting farmers.

iv) Limited coverage of some districts due to: a) shortage of planting material among suppliers for some crops notably banana (tissue cultured material) and Irish potato seed, b) prolonged quarantine in Kiruhura, Gomba, Kyankwanzi, Kakumiro, Sembabule districts due to outbreak of Foot and Mouth disease, c) Incidences of delays by some suppliers, occasionally leading to rejection of planting materials in some DLGs, d) protracted procurement processes.

Recommendations

i) The MAAIF and OWC Secretariat should review and restructure the Agricultural Advisory Services Programme to move away from distributing free inputs to focusing funds on mechanization, water for production and provision of value addition and agro-processing machinery and equipment.
ii) The MAAIF and LGs should strengthen the delivery of artificial insemination services to farmers to raise animal productivity.

5.6.3 Headquarters

The Headquarters sub-programme focuses on the administration and management of the Government Purchases sub-programme. The approved budget for the Headquarters sub-programme for FY 2018/19 is Ug shs 5.137 billion, of which Ug shs 2.755 billion (53.63%) was released and Ug shs 2.198 billion (79.78%) was spent by 31st December 2018. This was very good half year release and good absorption of the funds.

Performance

By 31st March 2018, the NAADS Secretariat coordinated and managed the procurement and distribution of inputs, solar powered irrigation systems, tractors, value addition equipment and supported value chain development. The detailed findings of this sub-programme in the monitored districts are presented in Table 3.13.

Overall performance of the Agricultural Advisory Services Programme

The overall performance of the Agricultural Advisory Services Programme in FY 2018/19 was fair rated at 68.35% (Table 5.13). Underperformance was due to distribution of less inputs than targeted and wastage of some inputs due to low readiness of farmers to receive them.

Table 5.13: Performance of the Agricultural Advisory Services Programme by 31st December 2018

Output	Annual Budget (Ug Shs)	Cumulative Receipt (Ug Shs)	Annual Planned Qty or Target	Cum. Achieved Quantity	Physical Performance Score (%)
Output: 15 Managing distribution of agricultural inputs (No. of exercises)	18,505,431,570	11,962,145,299	14	7	16.05
Output: 18 Support to upper end Agricultural Value Chains and Agribusiness Development(No. of farmer groups supported)	13,860,000,000	13,060,000,000	120	40	5.50
Output: 22 Planning, Monitoring and Evaluation (No. of activities)	1,807,393,253	1,506,614,316	7	3	1.04
Output: 75 Purchase of Motor Vehicles and Other Transport Equipment	1,050,000,000	962,735,649	6	0	0.00
Output: 76 Purchase of Office and ICT Equipment, including Software	124,200,000	99,200,000	6	0	0.00
Output: 78 Purchase of Office and Residential Furniture and Fittings(activities)	110,000,000	88,563,944	2	1	0.08
Output: 14 Provision of priority and strategic Agricultural Inputs - TRACTORS (Number)	43,680,000,000	19,832,277,730	336	110	35.31
Output: 14 Provision of priority agricultural inputs -MAIZE (kg)	1,516,490,000	1,380,966,000	343,300	312,600	1.70
Output: 14 Provision of priority agricultural inputs -BEANS (kg)	765,388,500	773,888,500	201,300	201,300	0.85

Output: 14 Provision of priority agricultural inputs -BANANA TISSUES (platelets)	517,500,000	90,000,000	71,050	37,000	0.58
Output: 14 Provision of priority agricultural inputs -CASSAVA CUTTINGS (bags)	735,250,000	0	14,705	0	0.00
Output: 14 Provision of priority agricultural inputs -IRISH POTATOES (bags)	264,050,000	170,100,000	1,570	810	0.24
Output: 14 Provision of priority agricultural inputs -ONIONS (kg)	8,000,000	7,000,000	900	700	0.01
Output: 14 Provision of priority agricultural inputs -COFFEE (Seedlings)	787,500,000	2,789,294,550	2,250,000	7,969,413	0.88
Output: 14 Provision of priority agricultural inputs -CHICKS (No.)	12,600,000	25,200,000	8,400	8,400	0.01
Output: 14 Provision of priority agricultural inputs -CHICKEN MASH (kg)	17,409,600	33,134,400	11,160	21,240	0.02
Output: 14 Provision of priority agricultural inputs -GROWERS MASH (kg)	26,208,000	26,208,000	16,800	25,200	0.03
Output: 14 Provision of priority agricultural inputs -FISH FINGERLINGS (No.)	67,884,000	103,123,600	226,280	371,012	0.08
Output: 14 Provision of priority agricultural inputs -FISH FEEDS (kg)	42,440,000	286,868,936	10,000	67,594	0.05
Output: 14 Provision of priority agricultural inputs -DAIRY CATTLES (No.)	984,250,000	783,000,000	467	374	1.10
Total	**89,205,909,01**				**68.35%**

	0				

Source: Field findings

Gender

Access to inputs was higher for men than women due to the stringent criteria for farmer selection. To benefit from heifers, the farmers were required to have a constructed animal shed, at least half an acre of pasture, a spray pump and funds for buying feeds and acaricide. Most women lacked land and income to meet these requirements.

Overall Vote Performance

The overall performance of the NAADS/OWC was fair at 68.35%. Farmers received strategic inputs and commodities but in lesser volumes than planned which limited impact in terms of food security and household incomes. The late procurement and delivery of inputs, inadequate access to extension services, the lack good of quality seeds in the country and low capacity of suppliers were persistent challenges to programme performance.

5.7 National Agricultural Research Organisation

5.7.1 Introduction

Established by an Act of Parliament in 2005, the mission statement of the National Agricultural Research Organisation (NARO) is *"To generate and disseminate appropriate, safe and cost effective agricultural technologies"*[24]. The NARO has one programme 51 Agricultural Research with 20 sub-programmes namely: 01 Headquarters; Project 0382 Support for NARO; 07 National Crops Resources Research Institute (NaCRRI); 08 National Fisheries Resources Research Institute (NaFIRRI); 09 National Forestry Resources Research Institute (NaFORRI); 10 National Livestock Resources Research Institute; 11 National Semi arid Resources Research Institute (NaSARRI); and Project 1139 Agriculture Technology and Agribusiness Advisory Services (ATAAS).

Other sub-programmes are: 12 National Laboratories Research; 13 Abi Zonal Agricultural Research and Development Institutes (ZARDI); 14 Bulindi ZARDI; 15 Kachwekano ZARDI; 16 Mukono ZARDI; 17 Ngetta ZARDI; 18 Nabuin ZARDI; 19 Mbarara ZARDI; 20 Buginyanya ZARDI; 21 Rwebitaba ZARDI; 26 NARO Internal Audit; and 27 National Coffee Research Institute (NaCORI). The institutions that were monitored are indicated in Annex 5.1.

The approved budget for NARO for FY 2018/19 inclusive of NTR is Ug shs 69.499 billion, of which Ug shs 56.662 billion (81.52%) was released and Ug shs 47.311 billion (83.49%) spent by 31st December 2018. This was very good release and expenditure performance.

Agricultural Research Programme

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[24] MAAIF, 2016.

Performance

The overall performance of the Agricultural Research Programme is presented in Table 3.14. Analysis for the programme was constrained by poor expenditure and performance tracking within the NARO Institutes and ZARDIs. Here under is the narrative performance of the sampled sub-programmes by 31st December 2018.

5.7.2 Abi ZARDI

Located in Obopi village, Ewadri parish, Madibe sub-county, Arua District, the Abi ZARDI undertook research and technology generation on soil conservation methods, fruits, apiary, silage, cassava, beans, sorghum, maize, sweet potatoes, citrus, coffee, dairy, goats and poultry, among other commodities. The main challenges were the loss of experimental crops due to drought and pests and diseases; high staff turnover due to low salary scales and power electrical and internet connectivity.

Non-functional borehole installed at Abi ZARDI lacking pump and piping to the

In FY 2017/18, NARO established a borehole at the ZARDI for provision of water for production. However, the borehole was not function as works were incomplete – the facility lacked a pump and water distribution pipes.

5.7.3 Head Quarters/Support for NARO

The Headquarters sub-programme, also referred to as NARO Secretariat (NAROSEC), is located in Entebbe Municipality, Wakiso District. The NAROSEC procured assorted equipment, furniture and vehicles and constructed/rehabilitated various infrastructures at the Institutes and ZARDIs including: Nursery Shed and water borne facilities at Kiige; staff houses at NACORI and Bulindi ZARDI; Guest House at NaFORRI; and perimeter fencing at various stations. Land surveying was also undertaken at Maruzi Ranch and conference facilities were provided for various events. Works had just commenced for several infrastructures and procurements had just commenced for assorted equipment.

5.7.4 Kachwekano ZARDI

Kachwekano ZARDI is located in Kachwekano village in Rubanda District. Limited research (about 40% operational level) on potato, apple and sorghum varieties and fertilizer usage was undertaken at the ZARDI using off budget resources. The development funds were mainly used for workshops and acquisition of machinery and equipment as NARO lacked expenditure codes on agricultural research.

5.7.5 Mbarara ZARDI

Mbarara ZARDI is located in Mbarara Municipality, Mbarara district. Very limited research work was undertaken by 31st December 2018 at Mbarara ZARDI due to inadequate funding and the low absorption of funds from the agricultural supplies and medical expenditure code that was not relevant for the planned activities. About 60% of the available development funds were earmarked for equipment and furniture which were not needed by the ZARDI as it had received sufficient items using the ATAAS grant. The ZARDI was at 10% operational level with regard to research work. Concise data on performance was not readily available.

5.7.6 Mukono ZARDI

Mukono ZARDI is located in DFI village, Ntawo parish, Mukono Municipality in Mukono district. Research and technology generation was undertaken on agro-forestry, apples, legumes, root crops and fertilisers. Concise data was not availed by the ZARDI to enable meaningful analysis of the station performance.

5.7.7 National Coffee Research Institute

Functional biotechnology laboratory at NaCORI in Mukono District

The National Coffee Research Institute (NaCORI) is located in Kituza village, Ssaayi parish, Ntenjeru sub-county Mukono District. Research was undertaken, with support from the UCDA, to develop high yielding and disease resistant Robusta coffee and cocoa varieties and associated agronomic practices that could enhance performance. The biotechnology laboratory was 40% functional.

A total of 5,647 Robusta tissue culture plants were being maintained and data collection was ongoing on the Coffee Wilt Disease Resistant (CWDR) varieties. The main challenge was the inadequate allocations for developing new varieties of coffee that would address the emerging challenges of new pests and diseases and harsh climatic conditions.

5.7.8 National Fisheries Resources Research Institute

The National Fisheries Resources Research Institute (NaFIRRI) is located in Jinja Municipality, Jinja District. Research was undertaken on fish habitat management, capture fisheries and biodiversity conservation, aquaculture and fish bioscience, innovations and post-harvest handling in the fisheries sector. The ecological impact of dam construction on the Upper Victoria Nile was determined. The research work at NaFIRRi was boosted by the availability of off budget projects. The key challenges included staffing gaps in critical positions; lack of insurance for the research water vessels and inadequate allocations to fisheries surveys.

5.7.9 Ngetta ZARDI

Ngetta ZARDI is located in Okiiyere village, Telela parish, Ngetta sub-county in Lira District. Research was undertaken on feeding strategies for livestock and poultry and technological options were generated. On farm and off farm demonstrations were established for high yielding disease resistant crop varieties. Experiments were conducted on conservation and sustainable use of threatened savannah woodlands. Integrated pest and disease management strategies for increased sesame and citrus varieties were developed. The main challenges were inadequate allocations for research work, loss of experiments due to drought and poor performance data capture.

Overall performance of the Agricultural Research Programme

The overall semi-annual performance of the Agricultural Research programme during FY 2018/19 was poor rated at 41.78% (Table 5.14). Poor performance was due to the slow down/stalment of research and technology generation activities at all institutes/ZARDIs arising from the end of the donor financed project in FY 2017/18 and limited funds disbursed for planned interventions. Key staff at most entities were absent during the monitoring visits citing demotivation due to lack of funds for planned research work.

Table 5.14: Performance of the Agricultural Research Programme by 31st December 2018

Output	Annual Budget (Ug Shs)	Cum.Receipt (Ug Shs)	Annual Planned Quantity or Target	Cum. Achieved Qty	Physical performance Score (%)
Various infrastructures constructed (number)	6,183,301,772	3,091,650,886	15	3.50	16.67
Output 221005: Conference facilities provided for research work (number of services)	52,369,107	52,369,107	33	28.00	0.26
Assorted laboratory, specialised, IT and vaccine equipment procured (lots)	7,120,141,600	3,560,070,800	26	2.30	7.28
Bush cleared and fencing undertaken (activities)	787,827,060	393,913,530	3	1.30	3.94
Technologies generated and disseminated through uptake pathways (activity)	752,648,000	473,743,879	6	3.50	4.03
Data collected and catalogued (activities)	10,000,000	3,000,000	1	0.30	0.06

Breeding work undertaken on animal resources - catfish, forages, cows, goats, fish (activities)	73,400,000	34,988,000	10	4.00	0.36
Research work undertaken on crops and natural resources (activities)	144,626,000	42,030,000	11	4.40	0.84
Sorghum germplasm work undertaken (activities)	16,930,000	1,540,000	1	0.20	0.10
Functional Biotechnology Laboratory established (number)	1,595,140,000	1,042,000,000	1	0.40	5.64
Coffee research and technology development undertaken (number of activities)	389,185,000	64,740,000	5	3.00	2.25
The Ecological Impact of dam construction on the status of fisheries determined (Reports)	102,000,000	64,998,090	3	1.00	0.00
Fish Cage research sites monitored and maintained (quarterly)	60,478,000	44,715,000	4	2.00	0.24
Total	**17,311,715,771**				**41.78%**

Source: Field findings

Challenges

i) Limited research work and generation of technology was undertaken by NARO institutions due to: a) inadequate funding, following the closure of the donor project in 2017/18. Most ATAAS projects that were initiated in the previous years had come to a standstill. B) Lack of research codes to aid expenditure; all the NARO funds were lumped under the agricultural supplies and medical code which was not relevant for the research activities.

ii) Inability to assess NARO performance comprehensively due to poor quality of data con funds disbursements and utilization and performance in most institutions.

Recommendations

i) The NARO should recruit/strengthen the Monitoring and Evaluation function in all its entities and enhance the ccapacity of the scientists and planning units to capture data efficiently.

ii) The MFPED should review the expenditure codes under NARO to provide codes that are relevant for the research work.

5.8 National Animal Genetic Resources Centre and Data Bank

5.8.1 Introduction

The National Animal Genetic Resources Centre and Data Bank (NAGRC&DB) was established under the Animal Breeding Act, 2001 to conserve and ensure continuous supply of animal genetic resources and breeding materials in the country. Guided by its five year Strategic and Investment Plan 2015/16 – 2019/20, the NAGRC&DB implements its mandate through 11 farms/ranches and satellite centres. The institution is implementing Project 1325: Strategic Intervention for Animal Genetic Improvement Project (SAGIP) during 2016 to 2020 with the purpose of increasing livestock productivity, through sustainable utilization of animal genetic resources and strengthening institutional capacity.

The approved budget for NAGRC&DB for FY 2018/19 is Ug shs 10.997 billion, of which Ug shs 7.179 billion (65.28%) was released and Ug shs 4.953 billion (69.10%) spent by 31st December 2018. This was very good release performance for half year and poor resource absorption. The NAGRC&DB has one programme - Breeding and Genetic Development programme and 11 sub-programmes. The programme and selected sub-programmes were monitored as indicated in Annex 1.

Breeding and Genetic Development

Performance

The overall performance of the Breeding and Genetic Development Programme is presented in Table 3.15. Presented below is performance of the sampled sub-programmes.

5.8.2 Aswa Ranch

Hay bales produced and ready for use at Aswa Ranch in Pader District

Located in Bulobu village, Bulobu parish, Angangwara sub-county in Pader District, Aswa Ranch is mandated to breed and conserve Ankole, Boran and Zebu cattle. The animal herd increased tremendously during FY 2018/19 semi-annual from 1,752 animals on 1st July 2018 to 1,990 animals by 31st December 2018, a net increase of 138 animals. Ongoing works on a water reticulation system was at 30% completion.

The station had received a tractor with implements which led to an increase in availability of pasture and hay for the animals. The lack of breeding paddocks, late delivery of hormones and poor quality of animal breeds slowed the breeding programme. Major challenges were loss of pastures due to bush fires and cattle theft by encroachers as the land boundaries were not demarcated and the land was not titled. The station employed 25 staff of whom 24 were males and one was a female.

5.8.3 Kasolwe Stock Farm

Located in Kasolwe Bulagala B village, Kasolwe parish, Kagumba sub-county Kamuli District, Kasolwe Stock Farm is involved in conserving the small East African Zebu, cross breeding with dairy and beef animals, goat conservation and popularizing the Kuroiler birds. The farm received 1,500 kuroilers, 2,000 fencing poles from NAGRC&DB headquarters and construction of a pig sty was 40% complete by 3rd January 2019.

NAGRC financed pig sty under construction at Kasolwe Stock Farm in Kasolwe village, Kamuli District

A total of 24 acres of pastures were established and an additional 10 acres were ploughed awaiting the rain reason for planting. The cattle stock increased from 901 animals to 962 animals (net 61 animals), while the goat herd increased modestly from 654 to 664 animals between 1st July 2018 and 31st December 2018. The poultry reduced from 1,500 to 1,426 birds in the same period due to high prevalence of diseases and inadequate drugs and feeds. A total of 41 staff were employed on the farm of whom two (4.87%) were females tending calves and 39 (95.13%) were males.

5.8.4 Lusenke Stock Farm

Located in Lusenke village, Namsaala parish, Busaana sub-county, Kayunga District, Lusenke Stock Farm is undertaking conservation and upgrading of East African Short Horn Zebu and production of high quality animal feeds. By 31st December 2018, the farm had received Ug shs 25,305,000 from NAGRC&DB Headquarters that was fully spent on ploughing fields, establishment of fodder and pastures including 80 acres of Chloris Gayana, 5 acres of Napier grass, 40 acres of maize and 40 acres of soya bean; and maintaining the animal herds. The farm recorded a positive growth (69 animals) from the opening stock at 475 animals on July 1st 2018 to 544 animals on 31st December 2018.

Construction of the administration block and Farm Manager's House was at 90% completion level pending painting of the surfaces and leveling the compound. The farm received a tractor with implements. There was gender inequality in access to employment on the farm which employed 12 workers of whom 11 were male and one was a female. The long distances moved in search for pastures and water for the animals was noted to be a major disincentive for female employment on the farm. Key challenges included delayed/late release of funds, pasture seeds and artificial insemination (AI) materials, understaffing, inadequate staff housing, lack of storage facilities for produce and equipment and land encroachment leading to loss of farm produce.

Breeding herds (left) and newly constructed administration block at Lusenke Stock Farm in Kayunga District

5.8.5 Maruzi Ranch

Located in Kayei parish in Akokoro sub-county, and Agaga parish in Ibuje sub-county, Apac District, Maruzi Ranch is mandated to undertake beef cattle cross breeding. The ranch has previously occupied 64 square miles which was in July 2018 apportioned to four entities through a Presidential Directive as follows: NAGRC&DB (8 square miles); NARO (7 square miles); Hillside - an investor (43 square miles); and outgrowers (6 square miles).

Foundation of water trough constructed at Maruzi Ranch in Apac District

The semi-annual performance of the Maruzi Ranch during FY 2018/19 was very low. Most planned activities were not implemented due to lack of breeding infrastructure, encroachers and disruption of interventions by the ongoing processes of land demarcation for the four entities. The cattle stock increased modestly (net 38 animals) from 613 animals on 1st July 2018 to 651 animals by 31st December 2018. The cattle mortality was high due to theft by encroachers, diseases from herds in the communities and inadequate pastures. Ongoing works included a cattle crush that was 75% complete, two water troughs at 50% completion and fencing.

5.8.6 Njeru Stock Farm

The farm is located in Kiryowa village, Bukaya parish, Njeru Town Council in Buikwe District and mainly focuses on dairy development. The farm realized a modest increase (net 14 animals) in cattle herds from 169 animals on 1st July 2018 to 183 animals by 31st December 2018. The slow growth in cattle herds was due to the low numbers of dairy animals on the farm. The main challenge on the farm was land encroachment as 219 acres out of 719 acres were occupied by encroachers. This reduced the available pastures for animals leading to low production and productivity.

5.8.7 Nshaara Ranch

Located in Karengo village, Nyakashita parish, Nyakashashara sub-county in Kiruhura District, Nshaara Ranch is involved in conservation and improvement of Ankole long horned cattle and adaptable meat goats. By 14th January 2019, the ranch had 2,070 cattle and 342 goats. A total of 600 acres of land was cleared but pasture had not been planted despite the fact that 1,000kg of pasture seeds were provided by NAGRC&DB headquarters. Construction works for 20km of road commenced and four kraals were constructed. A water reticulation system was established at the station. The main challenge was inadequate support from NAGRC&DB Headquarters in terms of funds to address emergencies, fuel for farm operations and farm infrastructure.

5.8.8 Sanga Field Station

Sanga Field Station is located in Sanga village, Sanga parish, Sanga Town Council in Kiruhura District. The station recorded a high net growth (179) in goat stock from 435 animals on 1st July 2018 to 614 animals by 31st December 2018; and a modest increase (51) in cattle stock from 335 animals to 386 animals during the same period. A total of 12 calves were lost due to high prevalence of diseases and lack of vaccines. Other challenges included: encroachment of 1.5 square miles taken over by Captain Basaija out of the 2.5 square miles; lack of paddocks for the breeding programme; high goat mortality due to late delivery of drugs; lack of imprest for emergencies and low production and productivity of animals due to the poor quality of the animal breeds and inadequate breeding structures.

5.8.9 Ruhengyere Field Station

The station is located in Kayonza village, Kayonza parish, Kikatsi sub-county in Kiruhura District. The cattle herds increased from 3,084 animals on 1st July 2018 to 3,169 animals, a net increase of 85; the goats herd increased by a net of 193 animals from 1,377 animals to 1,570 animals over the same period. There was very high mortality (101) of calves due to suspected Rift Valley Fever as the station had no vaccines at the time of the epidemic.

Artificial insemination staff hostel under construction at Ruhengyere Field Station in Kiruhura District

A total of 19 cattle died due to old age and the delay in disposal of unproductive animals by over a year. Construction of an artificial insemination staff hostel was 45% complete; the spray race works were 100% complete while works were at foundation level for a hay barn.

Overall performance of the Breeding and Genetic Development Programme

The overall performance of the Breeding and Genetic Development programme by 31st December 2018 was fair rated at 56.63% (Table 5.15). Lower performance was due to delayed procurements and delivery of assorted inputs and breeding materials for the farms; slow multiplication of animal breeds due to lack of breeding infrastructure, good quality breeds, land encroachment and poor pastures; and low capacity of contractors to undertake simultaneous works at the different stations.

Table 5.15: Performance of the National Animal Genetic Resources Centre and Data Bank by 31st December 2018

Output	Annual Ouput Budget (Ug shs)	Cumulative receipts per output	Annual Planned Quantity or Target	Cum. Achieved Quantity	Physical performance Score (%)	Challenges
Output 015627: Pasture seeds and vegetative materials multiplied (tonnes)	528,867,079	325,625,307	134	184.37	12.28	Crop was not ready for harvest; drought; land cleared but not planted.
Output 015627: Pasture and fodder banks established (acres)	244,796,874	156,270,312	1170	383	2.91	Late delivery of seeds.
Output 015609: Pure diary animals and appropriate crosses multiplied (number)	237,683,208	153,508,639	702	203	2.47	Delayed procurements, lack of good quality dairy animals; aged herds.
Output 015614:Pure beef breeds and appropriate crosses multiplied (number)	249,871,018	159,349,364	1711	912	4.85	Late delivery of AI materials.

Output 015621: Breeding and multiplication of meat goats undertaken (number)	30,408,477	19,765,510	865	356.5	0.45	High mortality due to diseases, vermin, abortions; late delivery of hormones for breeding.
Project 1325: Farm structure established (number)	573,220,140	386,343,091	9	2.2	4.83	Low capacity of contractors to complete works in time.
Project 1325: Motorcycles provided (number)	150,000,000	165,000,000	10	11	3.48	
Project 1325: Borehole constructed (number)	100,000,000	73,750,000	4	0	0	Low capacity of contractors.
Project 1325: Fencing materials received (No. of poles with barbed wire)	405,912,750	263,843,288	19000	10995	8.39	
Project 1325: Solar installed (units)	20,000,000	13,000,000	1	0	0	
Project 1325: Cultivable assets acquired - cattle (number)	500,000,000	325,000,000	500	0	0	Procurements were ongoing.
Project 1325: Water reticulation system established (number of systems)	597,025,470	388,066,556	2	0.7	7.46	
Project 1325: Roads and bridges opened and graded (activity)	260,000,000	52,000,000	1	0.2	0.00	
Project 1325: Feeds procured and supplied to farms (activity)	289,744,679	289,744,679	1	1	6.73	

Output 015636: Parent stock for poultry procured with feeds (activity)	119,999,958	119,999,958	1	1	2.79	
Total	**4,307,529,653**	**4,307,529,653**			**56.63%**	

Source: Field findings

Overall NAGRC&DB Performance

Breeding and Genetic development continued on the NAGRC&DB stations involving conservation and multiplication of beef and dairy cattle, goats, pigs and poultry. However, the planned growth rate of the animal herds on most stations was below target due to: the aging of the breeding herds, lack of paddocking and other animal husbandry infrastructure to manage the breeding programme effectively, lack of water for production, delayed delivery of artificial insemination materials and hormones, land wrangles and encroachment and harsh climatic conditions.

Challenges

i) Low production and productivity and multiplication of animal herds due to: old age of herds; inadequate breeding infrastructure, late delivery of breeding materials, poor pastures due to inadequate bush clearing, lack of water for production.
ii) High mortality of animals and poultry due to lack of imprest to address emergencies like disease epidemics; late delivery of drugs; and lack of vaccines and water for production.
iii) Loss of animals due to land wrangles and encroachment on Government land

Recommendations

i) The NAGRC&DB should evaluate the breeding programme to assess performance against set targets in the five-year strategic plan and address key gaps
ii) The NAGRC&DB and MAAIF should prioritize financing for improving cattle breeds and breeding infrastructure.
iii) The MAAIF, NAGRC&DB, NARO, Ministry of Lands, Housing and Urban Development and Uganda Land Commission should ensure that all NAGRC&DB public lands are demarcated and titled and the land wrangles resolved.
iv) The NAGRC&DB should decentralize some of the operational funds to the farms to enable them address emergencies expeditiously.

5.9 Uganda Coffee Development Authority

5.9.1 Introduction

The Government established the Uganda Coffee Development Authority (UCDA) in 1991 to promote and oversee the development of coffee industry through support to research, propagation of clean planting materials, extension, quality assurance, value addition and timely provision of market information to stakeholders. In line with the Coffee Strategy 2020, the GoU's focus is on increasing production and productivity through coffee replanting in Coffee Wilt Disease (CWD) affected areas, replacement of the aged unproductive trees and supporting introduction of commercial coffee production in new areas especially Northern Uganda. The Government plans to accelerate national coffee production from 4.2 million bags of 60kgs each to 20 million bags by 2025.

The approved budget for UCDA for FY 2018/19 is Ug shs 76.418 billion, of which Ug shs 64.882 billion (85%) was released and Ug shs 57.898 billion (89%) spent by 31st December 2018. This was good release and expenditure performance. The UCDA has one programme Coffee Development and three sub-programmes: 01 Development Services; 02 Quality and Regulatory Services; 03 Corporate Services 04 Strategy and Business Development. All the sub-programmes were monitored. The districts that were visited are presented in Annex 1.

Coffee Development Programme

5.9.2 Development Services

The UCDA distributed 35,000kgs of clean coffee planting seeds, 153,272,387 seedlings, and assorted chemicals and equipment to farmers countrywide by 31st December 2018. A total of 760,660 coffee wilt disease resistant (CWDr) plantlets were distributed to nursery operators and seedlings were procured from private nursery operators for the farmers. All the monitored regions had received the inputs and farmers expressed satisfaction with the quality of seedlings from the private nurseries. However, the delayed procurement and delivery of inputs slowed programme implementation.

In Zombo District, establishment of demonstration farms was differed to subsequent seasons due to late delivery of operational funds and inputs. This led to low adoption of good agronomic practices by farmers. In Arua District, the climatic conditions were harsh and private nurseries planted the seedlings late. The seedlings were not ready by the start of the planting season.

In Amuru district, the nursery operatorss complained about the poor viability of coffee seeds and non-payment of arrears by UCDA for the seedlings supplied in previous periods. For example, Mr. Kilama of Pukur village, Lamogi sub-county, Amuru District had not been paid arrears of FY 2014/15 amounting to Ug shs 6.6 million; payment for 45,000 seedlings (worth Ug shs 15,750 million delivered to farmers in FY 2017/18 was pending.

Mr. Kilama's coffee seedlings planted from 250kgs of elite seed received from UCDA in FY 2018/19

5.9.3 Quality and Regulatory Services

The UCDA trained farmers in coffee growing areas in quality awareness, and best practices in harvest and post-harvest handling. The quality of coffee was assessed along the value chain through collection of samples from the various stakeholders. Cup testing and coffee certification was undertaken at the UCDA laboratory. The main challenges were the inadequate staff to assure quality in all coffee growing regions and inadequate capacity at the laboratories to assess quality for the increased coffee samples.

Coffee cup tasting (left) and coffee samples graded and certified at UCDA Lugogo Laboratories in Kampala District

Overall performance of the Coffee Development Programme

The overall semi-annual performance of the Coffee Development Programme during FY 2018/19 was good rated at 79.91% (Table 5.16).

Table 5.16: Performance of the Coffee Development Programme by 31st December 2018

Output	Annual Budget (Ug shs) 000'	Cumulative receipt (Ug shs) 000'	Annual Planned Quantity or Target	Cum. Achieved Qty	Physical Performance Score (%)
Output: 01 Clean Coffee Planting Material Produced /Robusta seed procured (Kg)	50,000	50,000	50,000	10,000	0.17

Output: 01 Coffee knowledge disseminated (Number of radio talk shows)	81,000	0	12	18	0.00
Output: 01 Clean Coffee Planting Material Produced /Arabica seed procured (Kg)	20,000	20,000	1,666	0	0.00
Output: 01 Clean Coffee Planting Material Produced (Number of seed gardens supported)	7,000	7,000	3	1	0.01
Output: 01 Clean Coffee Planting Material Produced (Number of CWD-R nurseries supported)	400,000	400,000	60	36	0.80
Output: 01 Procure CWDr Plantlets for distribution to farmers.(Number)	375,000	375,000	250,000	124,050	0.62
Output: 01 Coordination of Program /Activities Office Rental and Utilities payments.(Number of offices facilitated)	28,500	25,000	3	3	0.09
Output: 01 Procure and distribute assorted chemicals and equipment (Number of items)	200,000	200,000	1	0	0.27
Output: 01 Procure and distribute Coffee Seedlings to farmers (Number)	22,311,396	22,311,396	61,312,731.	94,306,324	74.07
Output: 01 Procurement and distribution of Record books (Number)	115,975	120,375	4,983	3,016	0.22
Establish Farm Demonstration Gardens (Number)	1,000	2,000	10	21	0.00
Output: 01 Coffee Extension Liaison and Coordination (Number of Trainings)	21,120	8,000	106	0	0.00
Output: 01 Coffee Rehabilitation through equipping farmer groups. (Number of assorted rehabilitation tool kits procured)	1,110,000	0	1,100	0	0.00
Output: 01 Monitoring and Supervision of Pruning and	675,000	251,000	37,500	35	0.01

stumping of old coffee trees .(Number of acres supervised)					
Output: 01 Procurement and distribution of bags of Fertilizers to farmers (Number)	3,250,000	3,250,000	25,000	0	0.00
Output: 06 Promote coffee production in Northern Uganda (Number of CWDR mother Gardens)	360,000	360,000	36	0	0.00
Output: 06 Promote coffee production in Northern Uganda (Number of banana suckers)	100,000	62,500	20,000	25,000	0.33
Output: 06 Promote coffee production in Northern Uganda (Number of Shade tree seed)	40,000	20,000	500	500	0.13
Output: 06 Promote coffee production in Northern Uganda/Support establishment of large scale coffee farms (Number of large scale farms)	141,750	70,000	405,000	200,000	0.47
Output: 06 Promote coffee production in Northern Uganda/ Awareness created on Coffee farming as a Business through Awareness Campaign (Number of Promotions)	87,600	1,800	547	182	0.29
Output: 02 Enhancement of Coffee Quality at post-harvest level (Number of task forces)	160,872	132,816	528	969	0.53
Output: 02 Engagements to build capacity of stakeholders at buyer and processor level (Number of engagements)	9,000	6,520	9	9	0.03
Output: 03 Coffee Extension Liaison and Coordination/Inter-Regional Farmers' Study Tours (Number of study Tours)	15,000	18,000	23	20	0.04
Output:01 Coordination of Program Activities, research and Coordination/ Supervision and	146,166	56,842	43	23	0.49

Monitoring Visits (Number of Field Supervision visits)					
Output: 03 Coffee Platforms Functional through Coordination of Coffee Production Campaign (Number of coffee Platforms Coordinated)	400,000	313,500	34	26	1.30
Output: 03 Adoption of Good Nursery practices. (Number of Nurseries Certified)	16,640	16,640	600	587	0.05
Programme Performance	**30,123,019**				**79.91%**

Source: Field findings

Challenges

i) Delayed and partial implementation of planned field activities due to slow disbursement of operational funds and inputs from the UCDA Headquarters to the regional offices and inadequate staff in the regional offices.
ii) By 1st July 2018, the UCDA had arrears amounting to Ug shs 106.099 billion mainly for private suppliers of coffee seedlings. This was crippling the private nursery operators who were reducing the level of seedling production.
iii) Low production and productivity due to lack of water for production, inadequate funds for rehabilitating old fields

Recommendations

i) The UCDA should decentralize some of the finances and administrative roles to the regional offices to enable faster implementation of planned activities.
ii) The MFPED and UCDA should prioritise payment of outstanding arrears in the coffee sector.
iii) The UCDA should review and refocus funds from the replanting programme to supporting rehabilitation and maintenance of older fields, and provision of water for production facilities and value addition equipment.

CHAPTER 6: EDUCATION

6.1 Introduction

The overall sector objective is to; provide for, support, guide, coordinate, regulate and promote quality education and sports to all persons in Uganda for national integration, individual and national development.[25]

6.1.1 Sector Outcomes and Priorities

The sector outcomes are: i) Improved quality and relevancy of education at all levels, ii) Improved equitable access to education and iii) Improved effectiveness and efficiency in delivery of the education services. The sector priorities over the next five years are aimed at enabling the country to offer education as a basic human right with the main goal of equipping learners/students/trainees with relevant knowledge and skills necessary for socio-economic transformation and development by 2040.

6.1.2 Sector Programmes/Votes

The sector comprises of 15 Votes that is; Ministry of Education and Sports (MoES-Vote 013), Education Service Commission (Vote 132), Makerere University (Vote 136), Mbarara University (Vote 137), Makerere University Business School (Vote 138), Kyambogo University (Vote 139), Uganda Management Institute, (UMI-Vote 140), Gulu University (Vote 149), Busitema University (Vote 111), Muni University (Vote 127), Uganda National Examination Board (UNEB – Vote 128), Lira University (Vote 301), National Curriculum Development Centre (NCDC-Vote 303), Soroti University (Vote 308) and Kabale University (Vote 307).

In addition, the Sector has transfers to Local Governments (LGs) including Kampala Capital City Authority KCCA (Votes 501-580). The transfers include five LG grants namely; the District Primary Education including the School Facilities Grant (SFG); the District Secondary School grant; the District Tertiary Institutions Grant; the District Health Training Schools Grant and KCCA Education Grant.

6.1.3 Scope

The report presents status of implementation and achievement of set targets for selected projects/programmes in 13 out of 15 central votes, and grants in 35 LGs in the Education and Sports Sector for FY 2018/19. Annex 1: shows the sampled votes and projects.

6.1.4 Overall Sector Performance

The overall sector performance in terms of output delivery was good (79.4%). Most of the half year targets for the recurrent sub-programmes were achieved, while capital development registered low performance mainly due to delayed project start, delayed initiation of procurement process and inadequate funding for the interventions.

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[25] National Development Plan II

Good performance was noted for a number of programmes/projects in the sector and these are; Curriculum and Instructional Materials Development, Orientation and Research (NCDC), Delivery of Tertiary Education (Universities),) and the Schools Facilities Grant (Local Governments).

6.1.5 Overall Sector Financial Performance

The Education and Sports sector GoU budget for FY 2018/19 inclusive of external financing, taxes, arrears and gratuity, is Ug shs 3,122.49bn, of which Ug shs 1,609.19bn (52%) was released and Ug shs 1,451.85bn (47%) expended by 31st December 2018. In terms of absorption, 90.2% of the releases were spent by half year as indicated in the table 6.1.

Table 6.1: Semi -Annual Financial Performance for Education and Sports Sector FY 2018/19

Vote	Institution	Budget (bn)	Released (bn)	Spent (bn)	Budget Released (%)	Budget Spent (%)	Releases Spent (%)
13	MOES	609.378	369.396	265.006	60.6	43.5	71.7
111	Busitema University	38.567	20.653	16.456	53.6	42.7	79.7
127	Muni University	15.735	7.505	5.184	47.7	32.9	69.1
128	UNEB	115.482	71.732	70.958	62.1	61.4	98.9
132	ESC	8.335	5.129	3.369	61.5	40.4	65.7
136	Makerere University	282.268	139.152	125.841	49.3	44.6	90.4
137	Mbarara University	48.014	23.269	20.832	48.5	43.4	89.5
138	MUBS	84.041	43.431	41.63	51.7	49.5	95.9
139	Kyambogo University	141.66	71.389	59.674	50.4	42.1	83.6
140	UMI	37.407	13.031	13.031	34.8	34.8	100
149	Gulu University	44.016	8.2	6.312	18.6	14.3	77
301	Lira University	17.648	10.442	6.53	59.2	37	62.5
303	NCDC	7.434	4.203	3.636	56.5	48.9	86.5
307	Kabale University	22.334	15.83	10.384	70.9	46.5	65.6
308	Soroti University	12.927	6.683	3.864	51.7	29.9	57.8

501-580	Local Governments	1637.25	799.14	799.14	48.8	48.8	100
Total		**3,122.49**	**1,609.19**	**1,451.85**	**51.5**	**46.5**	**90.2**

Source: Author's compilation, IFMS

6.2 Ministry of Education and Sports (Vote 013)

The approved budget for Vote FY 2018/19 is Ug shs 609.378bn, of which Ug shs 369.39bn (61%) was released and Ug shs 265.006bn (71%) spent by 31st December 2018. In addition, the sector received a supplementary budget totaling to Ug shs 14,936,457,102. Whereas releases from the MFPED to the votes were generally timely, the pace of disbursements from MoES to the spending programmes/departments was slow.

The vote has nine programmes which are; 0701- Pre-Primary and Primary Education, 0702-Secondary Education, 0704-Higher Education, 0705-Skills Development, 0706 Quality and Standards, 0707-Physical Education and Sports, 0711-Guidance and Counselling and 0749: Policy, Planning and Support Services. Six of the nine programmes were monitored to assess the level of performance and findings are detailed hereafter.

6.2.1 Pre-primary and Primary Education Programme

The programme objective is to provide policy direction and support supervision to Education Managers in provision of quality Pre-primary and Primary Education as well as increase learning achievement. The programme has three sub-programmes of; Basic Education, Uganda Teacher and School Effectiveness Project (UTSEP), and Emergency Construction of Primary Schools Phase II, which contribute to the programme outcome of increased access to primary education. The three sub-programmes were assessed to establish level of performance and below are the findings;

a) Basic Education Sub-Programme

The sub-programme objectives are to; (i) formulate appropriate policies and guidelines, and provide technical advice in relation to primary sub-sector, (ii) strengthen the capacities of Districts and Education Managers to improve equitable access to primary education to all school age going children, (iii) provide support supervision to education managers to ensure provision of quality primary education as well as increase learning achievement in Literacy and Numeracy, and (iv) assist districts to improve the completion rate in primary education.

The budget for FY 2018/19 is Ug shs 21,011,372,702, of which Ug shs 10,981,049,891 (52.2%) was released and Ug shs 6,390,736,956 (58.1%) expended by 31st December 2018.

Performance

Policies, laws, guidelines, plans and strategies were implemented. For instance; office operational costs were covered, staff salaries, lunch, kilometrage and allowances were paid and the operations of Karamoja School Feeding Programme were facilitated. Similarly, instructional materials for primary schools were procured and delivered to schools; specifically, 220,296 copies of Social Studies textbooks and the 24,218 copies accompanying teachers' guides to government primary schools were procured.

Furthermore, 460,000 copies of P3 and P4 Pupils Reading Books in English and 27 local languages; 288,000 copies of P4 Instructional Materials (IMs) in four Core subjects Science, SST, CRE, IRE, CAPE and CAPE 2 plus IMs were procured. Additionally, advance payment of 20% was made to Fountain Publishers to supply and deliver 530,358 reading books for P.3 and P.4 in English and local languages of Leb Acoli, Leb Lango, Lugbarati, Ng'akarimojong, Lhukonzo, Lusoga, Lusamia, Leb Thur, Kupsapiiny, Lubwisi, Dhu Alur, Kumam, Lumasaba, Rufumbira, Aringati, Lugungu, Luluuli, Pokot, Kakwa and Lugwere.

The ministry re-verified the supply and delivery of P.4 Integrated Science textbooks to government schools by St. Bernard Publishers Ltd in Ntungamo District. It was however reported that book storage facilities (bookshelves) for selected 1,310 Government-aided schools were not procured due to inadequate funds; 35,643 copies of P.3 and P.4 curricular were not printed, and assorted small office equipment was still under procurement.

Monitoring and supervision of primary schools was conducted and funds were transferred to the teachers' SACCO. *Summary performance is presented in table 6.2.*

b) **Uganda Teacher and School Effectiveness (1296) sub-programme**

The project start date was 1st July 2014 and its expected end date is 30th June 2019. The overall project objective is to support the Government in improving teacher and school effectiveness in the public primary education system. The project aims at improving education service delivery at teacher, school and system level to realize meaningful gains in pupil achievement in primary grades.

The approved budget FY 2018/19 is Ug shs 48,578,523,508,000, of which Ug shs 1,316,423,508,000 is GoU contribution. Of the GoU contribution, a total of Ug shs 687,004,721,000 (52%) was released and Ug shs 530,461,812,000 (77%) expended by 31st December 2018.

Performance

The sub-programme performed well, as a number of planned activities were implemented. Policies, laws, guidelines, plans and strategies were conducted. For instance, 320 beneficiary primary schools monitored and support supervised in quarter one, seven bookshelves were procured, office operational costs, electricity bills, salaries, NSSF and gratuity paid for 15 project staff were paid, advocacy and awareness activities of the project were carried out.

Similarly, monitoring and supervision of primary schools was carried out; five project vehicles were maintained, proficiency rates for literacy and numeracy for P.3 and P.6 were assessed under NAPE; and Literacy in English and Local Language were assessed for P.1-P.3 under EGRA.

Under classroom construction and rehabilitation, all the primary schools monitored were either completed or at final finishes (including veranda works, splash aprons, painting, floor screeds and glazing). For example; Bwetyaba UMEA P/S in Butambala District, Kawumulo P/S and Lubumba P/S in Mubende District, Ddegya LC1 P/S, Kiterede P/S and Nakakabala P/S in

Kyankwanzi District, and Kashanjure P/S, Ruhigana P/S and Rwanana P/S in Sheema District. Facilities at St.Joseph Bubinge P/S and Hiriga P/S in Butaleja District were complete and in use.

The needs assessment of instructional materials for primary schools was done in one out of the four regions. The procurement and distribution of hearing aids was differed to Q3.

Completed classroom blocks at Bwetyaba UMEA P/S under UTSEP project in Butambala District

Challenge

i) The furniture for the initial batch of 54 schools had not been received by 31st December 2018. Secondly, procurement of furniture for the second batch of 84 schools was cancelled. Government of Uganda has to mobilize resources to buy furniture for these schools. *For summary performance refer to table 6.2.*

Emergency Construction of Primary Schools Phase II

The project started on 1st July 2015 and is expected to end on 30th June 2020. The revised budget for FY 2018/19 is Ug shs 2,855,120,092, of which Ug shs 2,338,482,530 (82%) was released and Ug shs 576,075,035 (25%) expended by 30th December 2018. A reallocation from the project was noted amounting to Ug shs 132,674,200.

Performance

The sub-programme experienced poor performance. Under policies, laws and guidelines the project coordination unit was facilitated with stationary and imprest. However other activities such as monitoring and installation of lightening arrestors were not conducted due to delay in accessing funds.

Under government buildings and administrative infrastructure, all the 52 beneficiary schools that were rolled over from the previous financial year (2017/18) received the funds on their school accounts. However, districts had not concluded procurement of contractors and works had not yet started by December 2018. Some districts noted that the MoES delays to send guidelines.

Similarly, works had not yet started in the 12 schools planned for the FY 2018/19. All the schools were at different levels of procurement. The implementation of the installation of lightening arresters was delayed to Q3 and Q4. *For summary performance refer to table 6.2.*

Challenges

i) Change of procurement modality: According to the PPDA Act, primary schools are not allowed to handle more than Ug shs 20 million procurement, therefore the procurement was reallocated to the district, while the money remained on the school's accounts and this caused delays.

ii) Limited funding: the money allocated to this sub-programme is too little to cater for the growing demands. Last FY they were only able to address 52 schools, while this FY the ministry planned to handle only 12.

Table 6.2: Performance of the Pre-primary and Primary Education Programme by 31th December 2018

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Basic Education	Policies, laws, guidelines, plans and strategies	1.237	0.597	17.00	6.00	3.59	40 primary schools monitored and support supervised in Q1, but this activity was not done in Q2 due to delayed release of funds. Inadequate funds also prevented monitoring of the Early Chilhood Development (ECD) centers and some of the activities of the HIV Unit.
	Instructional Materials for Primary Schools	14.858	7.415	12.00	5.08	50.05	Advance payment of 20% was made to Fountain Publishers to supply and deliver 530,358 reading books for P.3 and P.4 in English and local languages.
	Monitoring and Supervision of Primary Schools	0.366	0.171	3.00	1.00	1.03	Sensitization meetings with the community were held. Government primary schools were monitored and support supervised in Q1.
	Primary Teacher Development (PTC's)	4.550	2.798	2.00	1.00	14.69	Teachers SACCO funds were remitted to the Apex SACCO. Support supervised and monitored recruitment of primary school teachers in 26 LGs.
Uganda Teacher and School	Policies, laws, guidelines, plans and strategies	0.953	0.510	6.00	3.00	3.53	The draft ECD policy was being refined and the evaluation report was expected to be completed in January 2019.

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Effectiveness Project	Monitoring and Supervision of Primary Schools	0.174	0.096	6.00	2.00	0.42	Only two of the four project disbursement linked indicators were produced. 2 verification reports by PWC and UPIMAC were submitted. One inspection report for 250 schools was submitted. Proficiency rates for numeracy and literacy for P3 to P6 were assessed.
	Classroom construction and rehabilitation (Primary)	0.189	0.081	3.00	1.00	0.58	41 out of the 84 planned schools were ready for commissioning, the remaining 30 were not yet completed but were at either at finishing level or completed, and 13 had slightly delayed but were expected to be completed in Q3.
Emergency construction of Primary Schools	Policies, laws, guidelines, plans and strategies	0.024	0.014	6.00	1.00	0.03	Only 4 field monitoring visits conducted due to a delay in access to Q2 Funds. Installation of lightening arrestors was not conducted although the, contract was signed in November 2018.
	Government Buildings and Administrative Infrastructure	2.061	1.895	1.00	0.00	0.00	All schools had funds on their accounts but construction had not yet started because districts had not procured contractors.
	Purchase of Specialised Machinery and Equipment	0.770	0.430	1.00	0.00	0.00	No works done. Implementation of this activity postponed to Q3 and Q4.
	Programme Performance (Outputs)					**73.94**	**Good performance**

Source: Author's compilation and IFMS

Overall Conclusion

The good performance under this programme was a result of the recurrent, basic education and the UTSEP sub-programmes. On the other hand, the Emergency sub-programme underperformed as no civil works had started. Funds were still on school accounts as districts had not concluded procurement processes by 31st December 2018.

Recommendations

i) The MoES should send guidelines to districts, ensure that districts procure contractors for the beneficiary schools and civil works are undertaken in time.

6.2.2 Secondary Education Programme

The programme objective is to promote the advancement of quality, appropriate, accessible, and affordable Secondary Education and the expected outcome is increased access to secondary education. There are two sub-programmes which are; 03-Secondary Education and 14-Private Schools both of which were monitored to assess level of implementation and below are the findings;

a) Secondary Education Sub-Programme

The sub-programme objectives are to: formulate appropriate policies, plans, guidelines and give technical advice to the education sector on issues to do with secondary education; increase access and equity of secondary education; and improve quality of secondary education provision. The approved budget for FY 2018/19 is Ug shs 4bn, of which Ug sh 2.3bn (57%) was released, and Ug sh 1.08bn (47%) expended by 31st December 2018.

Performance

Good performance was noted as a number of planned activities were being implemented. The balance of the teachers' guides and text books for Mathematics and Physics from FY 2017/18 were procured, the developed teaching references (for Biology, Chemistry, Physics and Mathematics) for the 20 seed schools and Secondary Science and Mathematics (SESEMAT) centers were printed at a cost of Ug shs 95m. Advertisement for procurement of UPOLET textbooks was made.

In addition, music, dance and drama activities were facilitated and held at St. Catherine S.S. in Lira in QI. A total of 3,121 students from Uganda and Kenya from 61 secondary schools attended. (Out of those 2,164 students from 41 secondary schools were from Uganda). A total of Ug Shs 291m was used and there was a deficit of Ug shs 74m.

Kilometrage and lunch allowances were paid but were above what was released. Some science teachers' were paid a 20% increment pronounced by H.E the President, which was later rejected by Parliament and the Equal Opportunities Commission, and these funds were to be recovered from the teachers.

However due to inadequate funds, some activities were not implemented and these include; training of the Boards of Governors and regional trainers and the National Science workshops. Table 6.3 presents the summary of performance

b) Private Schools Department

The Department's objectives are to; i) enhance public private partnership in the provision of secondary education to all Ugandans, ii) formulate appropriate policy guidelines and give technical advice to the education sector on issues to do with private secondary education, and iii) improve the quality of private secondary education provision.

The approved budget for FY 2018/19 is Ug shs 0.64 bn, of which Ug shs 0.3 bn (46%) was released and Ug shs 0.15 bn (51%) expended.

Performance

The sub-programme performance was poor. Much as the MFPED released 45% of the sub-programme budget to MoES, the department only received 20% of their budget which affected the implementation of the planned activities. It was reported that the departmental funds were diverted by the ministry to pay allowances. *Table 6.3 presents the summary of performance.*

Table 6.3: Performance of Secondary Education Programme by 31th December, 2018

Sub prog./Project	Output	Annual Budget (Ug shs)	Cum. Receipt	Annual Target	Cum. Achieved Quantity	Physical Performance Score	Remark
Secondary Education. Sub programme	Policies, laws, guidelines, plans and strategies	3.541	2.082	15.00	5.00	43.23	The teachers' guides and text books for Mathematics and Physics from FY 2017/18 were procured.
	Monitoring and supervision of secondary schools	0.223	0.100	3.00	0.50	1.77	One officer, was facilitated to travel to Arusha with two students, and the Commissioner's vehicle was serviced. Sub-monitoring of the lesson study assessment was not done.
	Training of secondary school teachers	0.200	0.105	4.00	1.00	2.05	The regional trainer's interviews were not conducted.
	USE Tuition Support	0.040	0.010	1.00	0.10	0.35	The national assessment of the EAC essay writing competitions for 258 students was underway.
Private Schools	Policies, laws, guidelines, plans and strategies	0.335	0.159	8.00	3.00	5.71	Staff salaries were paid and office equipment repaired. However a number of planned activities were not implemented due to inadequate funds.
	Monitoring USE	0.306	0.138	6.00	0.00	0.00	Activity not done.

Sub prog./Project	Output	Annual Budget (Ug shs)	Cum. Receipt	Annual Target	Cum. Achieved Quantity	Physical Performance Score	Remark
	Placements in Private Schools						
	Programme Performance (Outputs)					**53.10**	**Fair performance**

Source: Author's Compilation, IFMS

Challenge

- The responsible officer for the department does not have rights on the IFMS systems to initiate payments of departmental activities. As a result, the department did not access departmental funds for Q1 and Q2 which affected achievement of their planned targets. This leads to late payments to requisitions and sometimes diversions of departmental funds to pay for activities outside the department. A case in point was when the department funds for Q1 and Q2 were reportedly diverted to pay for staff allowances.

Conclusion

The overall performance of the Secondary Education programme was fair. While the secondary education sub-programme had good performance, the private schools department performed poorly.

Recommendations

i. The finance committee of the MoES should align all expenditures of the different sub-programmes according to the approved work plan.

ii. All heads of departments/sub-programmes should have rights on the IFMS system to be able to initiate payments for their activities as per their work plan as advised by the Accountant General.

6.2.3 Higher Education Programme

The programme objective is to provide quality Higher Education and make it equitably accessible to all qualified Ugandans. The programme has four sub-programmes which are; i) Higher Education, ii) Development of Uganda Petroleum Institute Kigumba (UPIK, project 1241), Support to Higher Education Science and Technology (HEST, project 1273) and African Centers of Excellence II (1491). Three sub-programmes were assessed to establish the level of performance and below is the detailed progress.

a) Higher Education Sub-programme

The sub-programme's objectives are to: i) provide policy formulation, guidance and evaluation in Higher Education; ii) facilitate and promote regional and international corporations in higher education; iii) carry out activities associated with admissions to other tertiary institutions; iv) solicit for and administer scholarships through Central Scholarship Committee; v) monitoring and supervision activities of tertiary institutions; and accreditations of tertiary institutions and their programmes by the NCHE.

The approved budget for FY 2018/19 is Ug shs 49.39 bn of which Ug shs 27.17bn (55%) was released and Ug shs 19.73 bn (73%) expended by 31st December2018.

Performance

The departmental projects (UPIK, JKST) were monitored. Good performance was noted under the sub-programme, with a number of planned activities being implemented. Staff salaries, lunch and transport allowance for 16 officers was paid, assorted stationery and tonners was procured, graduation and other official ceremonies were attended at universities and other tertiary institutions.

In addition, two airline tickets for students returning home were bought and operational costs and equipment for the HESFB was paid for. Funds to support recurrent activities at Uganda Petroleum Institute Kigumba, National Council of Higher Education operations, to the Joint Admissions Board as well as for students in the African Institute for Capacity Development. *Summary performance is in table 6.4.*

b) Development of Uganda Petroleum Institute Kigumba (UPIK, Project 1241)

The project's core objective is to provide basic infrastructure for UPIK to have the capacity and offer full menu of programmes in oil and gas. The expected outputs are; i) renovation of allocated buildings and ancillary utility infrastructure; equipping and furnishing of lecture rooms and dormitories; ii) development of physical infrastructure; acquisition of technical training machinery, equipment and accessories; iii) development of comphrensive educational curriculum; formulation and implementation of Training Of Trainer (ToT) programmes; and iv) development of an infrastructure development master plan. The project start date was 1st July 2015 and the expected completion date is 30th June 2020.

The approved budget for FY 2018/19 is Ug shs 9.40 bn, of which Ug shs 7.52 bn (80%) was released and Ug shs 5.87 bn (78%) expended by 30th December 2018.

Performance

Mixed performance was registered under this sub-programme. Some planned activities were ongoing, while others were not implemented. Three vehicles were purchased; procurement process was ongoing for the oil rig (bidding level) and civil works were ongoing for the male dormitory at 50% physical progress. The contract for civil works was awarded to M/s China Gyan at a sum of Ug shs 3.2 billion for 12 months starting August 2018. Works were on schedule. It was also noted that UPIK Council planned to add a third floor and structural tests were done to ensure that the foundations could support it.

On the other hand, construction of the female dormitory, two lecture halls, a library, information center and a health center had not started, however the procurement process for the contractor was at award level. It was noted that construction of the facilities was phased and construction would depend on availability of funds. *Summary performance is in table 6.4.*

Civil works on the two storied male dormitory at 50% progress at UPIK

c) African centers of excellence II (ACE) Sub-programme

The project's core objective is to strengthen the selected ACEs to deliver quality post-graduate education and build collaborative research capacity in the regional priority areas of Industry, Agriculture, Health, Education and Applied Statistics. These priority areas were defined by the project's Regional Steering Committee after broad consultations in the region.

The four centers are part of the Eastern and Southern Africa Higher Education Centers of Excellence (ACE II) Project, an initiative of participating African governments and the World Bank. In total there are 24 Africa Centers of Excellence (ACEs) spread in the eight countries of Ethiopia, Kenya, Rwanda, Malawi, Mozambique, Tanzania, Uganda and Zambia.

The total project cost is Ug shs 88.80bn. The project start date was 1st July 2017 with an expected completion date of 30th June 2020.

The sub-programme GoU revised budget for FY 2018/19 is Ug shs 0.085bn, of which Ug shs 0.047bn (55%) was released and Ug shs 0.016bn (34%) expended by 31st December 2018. A reallocation of Ug shs 7,374,820 from the original budget was noted. From the donor component, the first disbursement of USD 1 million was released between July – Sept 2017 to the four centers and since then no release has been made towards the project. Verification took a lot of time and hence the delay in release of funds.

Performance

The sub-programme performance was poor as a number of activities were not implemented, 17 months after project start. While there was supposed be one verification every six months, there has only been one verification in 17 months. The verification targets were missed and the sub-programme is behind schedule.

Assorted stationery items, toners, one laptop, printer and scanner for the project secretariat were not yet procured though the procurement process had been initiated.

Challenges

i) The project implementing centres did not have funds and had not recruited students. Due to delays in release of funds, the centres are likely not to attract regional students.
ii) Staff had not been recruited 17 months into project time.
iii) This project is housed in different universities. The centre leaders are not getting facilitation and are therefore not sufficiently motivated to do the work required for this activity, such as the development of programmes, on top of their other work.
iv) Long processes and authorizations particularly for the African Centres of Excellence project leading to delays in disbursements thus delayed implementation.

The summary performance is in table 6.4.

Table 6.4: Performance of Higher Education Programme by 31st December, 2018

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	Policies, guidelines to universities and other tertiary institutions	0.539	0.252	7.00	4.60	0.92	Good performance was noted under this output, however the nine monitoring visits to Higher Education Institutions were not conducted and two computers for the higher education department were not yet procured.
	Support establishment of constituent colleges and Public Universities	12.266	6.999	4.00	2.00	18.26	Good performance was noted under this output. However, the taskforces for the establishment of a public university in Busoga and Mountains of the Moon were not supported as they had not yet been established.
	Support to Research Institutions in Public Universities	1.720	0.860	3.00	2.00	2.92	Top up allowances paid to students on scholarship abroad and two fact finding missions were conducted. The two research projects were not supported as they were still in preliminaries.
	Sponsorship Scheme and Staff Development for Masters and Phds	28.264	15.627	4.00	3.00	48.01	Good performance was noted under this output. However, four academic staff for PhD programs were not supported. The eligibility criteria was still being worked on.

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Monitoring/supervision and Quality assurance for Tertiary Institutions (AICAD, NCHE, JAB	3.396	1.592	5.00	4.00	5.77	Funds were disbursed to the African Institute for Capacity Development, the National Council of Higher Education and to the Joint Admissions Board.
	Operational Support for Public and Private Universities	3.203	1.841	3.00	1.50	4.73	Operational support to four private universities was provided (Bishop Stuart University, Nkumba University, Ndejje University and Kumi University). However, the white paper was not started as the committee was not yet appointed.
Development of Uganda Petroleum Institute Kigumba	Monitoring/supervision and Quality assurance for Tertiary Institutions (AICAD, NCHE, JAB)	2.000	1.600	1.00	0.00	0.00	Money was received but not yet transferred to National Council of Higher Education for construction of office accommodation.
	Purchase of Motor Vehicles and Other Transport Equipment	0.496	0.496	1.00	1.00	0.84	Three vehicles were purchased.
	Purchase of specialized Machinery & Equipment	3.400	3.400	1.00	0.50	2.89	The oil rig was under procurement.
	Construction and Rehabilitation of facilities	3.500	2.025	3.00	0.50	1.71	Construction of the male dormitory was ongoing and was at 50%, while the female dormitory was at procurement. The classroom block and computer lab will not be constructed this financial year due to insufficient funds.

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
1491 African Centers of Excellence II	Policies, guidelines to universities and other tertiary institutions	0.085	0.047	6.00	2.00	0.09	Support supervision of project activities was conducted. Procurement for the laptop and stationery was initiated. One national steering committee meeting was held. Procurement of stationery was underway.
	Programme Performance (Outputs)					**86.14**	**Good performance**

Source: Author's Compilation, IFMS

Conclusion

The overall good performance of the Higher Education Programme was largely on account of the higher education sub-programme which had the largest chunk of resources, and also achieved on most of the planned activities. However, implementation of the African Centers of Excellency sub-programme has delayed and is affecting the performance of the entire programme.

6.2.4 Skills Development Programme

The programme objective is to provide relevant knowledge and skills for purposes of academic progression and employment in the labour market which is in line with the programme outcome of improved access to Business Technical and Vocational Education Training. The programme has 11 sub-programmes[26] of which 8 were assessed to establish performance of the programme and below are the details.

a) Business Technical Vocation Education and Training (BTVET) Sub-Programme

The programme's expected outputs are: skills development, empowered individuals, offer employable skills for self-sustenance and for the benefit of the economy both in the formal and informal sectors, improve the staffing levels in BTVET institutions and carry out construction renovation. The revised budget for FY 2018/19 is Ug shs 28.5bn, of which Ug shs 17.69bn (62%) was released and Ug shs 16.02bn (91%) expended by 31st December 2018.

Performance

[26]Business Technical Vocation Education and Training (BTVET) Sub-programme, National Health Service Training Colleges sub-programme, Departmental Training Institutions Sub-programme, Albertine Region Sustainable Development, Skills Development Project, John Kale Institute of Science and Technology(JKIST), Support to the Implementation of Skilling Uganda Strategy (BTC), The Technical Vocational Education and Training(TVET-LEAD) and OFID Funded Vocational Project Phase II.

Good performance was noted for the sub-programme as a number of planned outputs for the first half of the FY were achieved. A total of 22 BTVET institutions were monitored and support supervised. These are; UTC Kyema, Kiryandogo Technical institute, Kigumba Co-operative College, Nalwire TI, Iganga TI, Buhimba TI, Birembo, TI, Hoima School of Nursing and Midwifery, Nakawa VTI, Ntinda VTI and Kakika TI, Kabale School of Comprehensive Nursing, Arua School Comprehensive Nursing, UTC Lira, Gulu SOCO, Iganga TI, Tororo TI, Jinja Medical Lab. School, Masaka School of Comprehensive Nursing,and Mulago School of Comprehensive Nursing.

Occupational Assessment of 14,820 trainees under the BTVET Non-Formal Training Programme was conducted, assessed, marked and graded 26,960 trainees under the modular and full Uganda Vocational Qualifications Framework levels. Capitation grants, examination fees were paid for 400 students in both UTCs and UCCs and 2,778 students under non-formal skills training. *Summary of performance is indicated in table 6.5.*

b) National Health Service Training Colleges Sub-Programme

The programme is intended to provide craftsmen, technicians and other related skilled individuals to meet the demands of the industry, health, agriculture and commerce, as well as the teaching of vocational subjects and other related skills. The revised budget for FY 2018/19 is Ug shs 16.26bn, of which Ug shs 8.32bn (51%) was released, and Ug shs 8.322bn (100%) expended by 31st December 2018.

Performance

Registration of students was facilitated in the different National Health Service Training colleges during the first half of financial year**.** New examination centers and schools were approved.

A total of 13 health training institutions were licensed and these are: Evelyn School of Nursing, Science Institute of Technology, Bugema institute of Health Science, Kampala School of Science and Technology, Tropical Institute of Allied Health Science, Biomedical International Health Science, Hanna International Institute of Health Science, Jerusalem Institute of Health Sciences-Lira, Kampala Institute of Health Professions, Vine Paramedical School, St. Francis School of Health Sciences-Mukono, Koboko Institute of Health Science, and St. Elizabeth's IHP-Mukono. Under the sub-programme; verification of nursing and midwifery students in 89 institutions was done (i.e.12,237 students) of which 12,052 were qualified for training. *Summary of performance is indicated in table 6.5.*

c) Departmental Training Institutions Sub-Programme

The programme is aimed at providing craftsmen, technicians and other related skilled individuals to meet the demands of industry, health, agriculture and commerce, as well as the teaching of vocational subjects and other related skills. The revised budget for FY 2018/19 is Ug shs 4.744bn, of which Ug shs 3.050bn (64%) was released and Ug shs 3.033bn (99%) expended by 31st December 2018.

Performance

Under the sub-programme, 90 trainees were trained in various CBET activities at Nakawa, Lugogo and Jinja VTI and 167 BTVET staff in Departmental Training Institutions. *Summary of performance is indicated in table 6.5.*

d) Development of BTVET sub-programme

The project aims to upgrade the standard of technical education to create more access as well as to bring about a better balance between supply and demand for lower level technical manpower. The project started on 1st July 2015 and is expected to end on 30th June 2020. The revised budget for FY 2018/19 is Ug shs 10.451bn, of which Ug shs 6.811bn (65%) was released and Ug shs 3,808,888,753 (56%) spent by 31st December 2018.

Performance

Mixed performance was registered under the sub-programme. Ten skills trainers were trained in modern systems, 50% of the institutions received funds for procurement of tools and equipment (UTC Kichwamba, UTC Bushenyi, UTC Elgon and UCC Soroti). In UTC Kichwamba, tools were procured, while in Mbale C.P procurement process was ongoing.

Civil works had resumed at the stalled sites of UTC Bushenyi, Bukooli T/I, UCC Aduku, the hostel block at Arua School of Comprehensive Nursing was at 80%, and the dormitory block at Lake Katwe TI was estimated at 90%. On the other hand Epel T.I did not receive funds, while works had just resumed in Bamunanika T.I. Works had not started at Prof. Dan Nabudere Institute and Kauliza Kasadha T.I despite receipt of funds. Under purchase of office and residential furniture and fittings, Hoima School of Nursing did not receive funds for procurement of furniture and equipment, and no new civil works commenced at the school although the MoES plan indicated as such. *Summary of performance is indicated in table 6.5.*

Civil works on all structures at Bamunanika Technical Institute resumed after 2 years' stallment. Plastering was ongoing on a 2 classroom block and a workshop block

e) Albertine Region Sustainable Development Project (ARSDP)

This is a multi-sectoral project that is to be implemented for a period of four years. It is designed to complement other initiatives that are ongoing in the Albertine region. The Project Development Objective to improve regional and local access to infrastructure, markets, services and skills development in the Albertine region. In line with the objective above, ARSDP has 3 components which include: (1) Regional access and connectivity (USD 95m); (2) Local Access, Planning and Development (USD 25m); (3) Skills Access and Upgrading (USD25m IDA & USD2m).

Objectives of Skills Access and Upgrading: Component 3

This component is designed to; (i) upgrade BTVET quality in Oil and Gas Sector, (ii) make it more in line with private sector demand and, (iii) provide greater access to BTVET to people living in the Albertine region. The component is further sub-divided into two sub-components which include:- i) Improving institutions in the Albertine Region and establishing mechanism for the coordination for skill development; and, ii) Improving access to relevant skills training programs through provision of bursaries to people from the region.

The project started on 1st July 2014 and its expected completion date is 30th June 2019. Project disbursement by 30th November 2018 was US$ 3,423,530(14%), and total expenditure was US$ 1,599,788.93(47%).

Performance

A number of planned activities for the FY had not started by 31st December 2018. Much as sensitization of stakeholders on skilling Uganda in the Albertine region and submission of the draft preliminary design for UPIK and UTC Kichwamba to MoES technical team were done, learners were not sponsored in oil and gas because the administration of the bursary had not yet commenced.

In addition, the staff training was not done as the new curriculum was not ready, the oil and gas skills council was not facilitated because the process of renewing the appointment of the second council was still in process and construction works had not started at UPIK and UTC Kichwamba. The project has delayed and is behind schedule. *Summary of performance is in table 6.5.*

f) Skills Development Project

This project aims to enhance the capacity of institutions to deliver high quality, demand-driven training programs in the agriculture (agro processing), construction and manufacturing sectors. It began on 1st July 2015 and has an end date of 30th June 2020.

It has the following expected outputs; (1) Upgraded and expanded infrastructure at Uganda Technical Colleges of Bushenyi, Elgon, Lira and Bukalasa Agriculture College, (2) Upgraded and expanded infrastructure at 12 public training institutes, (3) Internationally accredited institutions, curricula and lecturers/instructors at the four colleges and twelve institutes, (4) Functioning Sector Skills Councils established for agriculture, construction and manufacturing.

The project cost is US$ 100,000,000 and by 30th November 2018, expenditure stood at 31% (US$ 1,789,358.52).

Performance

Most of the planned activities had not started by 31st December 2018. Procurement process was underway for assorted small equipment, training was not carried out because the new curriculum was being developed and construction work had not commenced for the five centers of excellence (UPIK Kigumba, Bukalasa Agricultural College, UTC Elgon, Lira, and Bushenyi UTC). The project has delayed and is behind schedule. *Summarized performance is indicated in table 6.5.*

Implementation Challenge

i) Delayed project implementation as a result of unsynchronized approval system between Government of Uganda and the World Bank. USDP was designed as a 5-year project, the World Bank approved the Credit on 22nd April 2015 but the Financing Agreement was only signed on 24th June 2016 (14 months later).

In addition, while the planned effective date was 7th August 2015, actual effectiveness was only attained on 28th October 2016 (another 14 months from the expected effectiveness date). Despite this, the closing date has remained the same (August 2020) and this has left the project with an actual implementation period of 3 years and 10 months.

g) John Kale Institute of Science and Technology (JKIST)

The John Kale Institute of Science and Technology (JKIST) is being established as a special public institution of higher education in Uganda but also as one in a network of Pan-African Institutes of Science and Technology located across the continent. It started on 1st July 2015 and is expected to end on 30th June 2019. The expected outputs are: Construction of Hotel, Tourism Department, Forensic and Marine Science Block, teaching staff accommodation, students accommodation, main dining hall and fencing.

The revised budget for FY 2018/19 is Ug shs 1.705bn, of which Ug shs 0.868bn (51%) was released and Ug shs 0.158bn (18%) expended by 31st December 2018.

Performance

Performance was poor at half year. Under the sub-programme, salaries and gratuity were paid, one steering committee meeting held, and the procurement of the contractor for fencing was before the Solicitor General for clearance.

Civil works delayed due to compensation issues. The land that was given by Kisoro Local Government was still encumbered and by end of Q2; the Government valuer had finalized with the compensation figure and process of compensation was ongoing. The project has delayed and is behind schedule. *Summary of Performance is indicated in table 6.5.*

h) Support to the Implementation of Skilling Uganda Strategy (BTC)

The project has the key objective of increasing the employability of youth through better quality of instruction and learning in skills development. It started on 1st July 2015 and has an expected end date of 30th June 2020. The project will support the implementation of some key-reforms of the national BTVET strategy, both on a national/central level, and on the local level, in four districts in Western Uganda.

The revised GoU budget FY 2018/19 is Ug shs 543,584,000, of which Ug shs 364,221,200 (67%) was released and Ug shs 195,746,400 (54%) expended by 31st December 2018.

Performance

Good performance was noted under the sub-programme as most of the planned outputs for the financial year were being implemented. Technical and financial support was provided to BTVET – MoES to participate in the National Vocational Skills competitions, and World Skills Africa competition, two pedagogy training workshops (Module 6 - instructional leadership) for the 51 target instructors from the 5 VTIs were conducted and the SDF Manual was re-aligned to the Enabel grant agreement guidelines.

The civil works at the UTC Kyema (Masindi), Kasese Youth Polytechnic (Kasese), St. Josephs Virika VTI (Fort portal), St. Simon Peter VTI and Millennium Business School (Hoima) had commenced and overall physical progress was at 38%. Two institutions were however behind schedule that is; St. Joseph Virika-Fortportal and Kasese Youth Polytechnic. At St. Joseph Virika VTI works on all structures were at dump proof level (DPC). By December 2018 progress was at 15.42% far behind schedule.

Construction of an MV workshop and a 2 classroom block at St. Joseph Virika VTI at DPL level as at January 2019

 

Left: Construction of BCP at sub-structural level and an Electrical Installation and Renewable Energy Workshop at ring-bim at Kasese Youth Polytechnic as at January 2019

Table 6.5: The performance of the Skills Development programme by 31st December 2018

Subprog	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity	Physical performance Score (%)	Remark
BTVET	Policies, laws, guidelines, plans and strategies:	4,598,335,118	3,040,073,436	100	45	2.46	Facilitated the Education and Sports Sector Review workshop. Paid salaries to staff at headquarter UCCs and UTCs.
	Monitoring and Supervision of BTVET institutions:	197,214,516	125,085,532	100	35	0.09	Monitored and support supervised 22 out of the planned 34 BTVET institutions.
	Assessment and Profiling of Industrial Skills (DIT, Industrial Training Council)	3,550,714,000	1,900,357,000	100	40	2.09	Conducted occupational assessment of 14,820 trainees under the BTVET Non-Formal Training Programme.
	Operational Support to government technical colleges	20,191,662,715	12,627,261,011	100	40	10.16	Paid capitation grants, examination fees for 400 students in both UTCs and UCCs and 2,778 students under non-formal skills training.
NHSTC	Policies, laws, guidelines, Plans and Strategies	25,309,405	11,389,327	100	40	0.02	Registration of students facilitated. New examination centers and schools were approved.

Subprog	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Assessment and Technical Support for Health Workers and College.	16,244,184,210	8,311,642,000	100	40	9.99	Carried out verification of nursing and midwifery students in 89 institutions (i.e.12,237 students) out of which 12,052 were qualified for training.
11: Departmental Training Institutions	Policies, laws, guidelines, plans and strategies:	671,941,799	334,775,386	100	40	0.42	Paid salaries for 167 BTVET staff in Department Training institutions.
	Operational support to UPPET BTVET Institutions:	4,073,000,000	2,715,333,334	100	40	1.92	Conducted training for 90 trainees in various CBET activities at Nakawa, Lugogo and Jinja VTI.
0942: Development of BTVET	Training and Capacity Building of BTVET Institutions:	34,300,000	17,664,500	100	25	0.01	Trained 10 skills trainers in modern systems
	Purchase of specialized machinery and equipment.	688,000,000	384,400,000	100.00	25.00	0.24	50% of the institutions received funds for procurement of tools and equipment.
	Purchase of Office and Residential Furniture and Fittings	80,000,000	44,000,000	100.00	0.00	0.00	Hoima School of Nursing did not receive funds for furniture.
	Construction and rehabilitation of learning facilities (BTVET)	8,086,999,999	4,952,700,000	100.00	30.00	3.12	Works resumed at the stalled sites of UTC Bushenyi, Bukooli T/I and UCC Aduku.
	Construction and rehabilitation of Accommodation facilities (BTVET)	1,562,480,000	1,412,496,000	100.00	35.00	0.48	The hostel block at Arua School of Comprehensive Nursing was 80% and the dormitory block at L.Katwe T.I was estimated at 90%.
1310: Albertine Region Sustainable Development	Policies, laws, guidelines, plans and strategies	2,808,281,920	1,204,959,916	100	25	1.29	Sensitization of stakeholders on Skilling Uganda carried out in the Albertine region.
	Training and Capacity Building of BTVET Institutions.	1,800,000,000	460,000,000	100	0	0.00	Training of staff was not done as the new curriculum was not yet ready.

Subprog	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Monitoring and Supervision of BTVET Institutions	750,000,000	291,650,217	100	0	0	No monitoring activity was undertaken.
	Operational support to UPPET BTVET Institutions:	130,000,000	71,500,000	100	25	0.05	The process of renewing the appointment of the Oil and Gas Skills Council ongoing.
	Purchase of Motor Vehicles and Other Transport Equipment	162,000,000	56,700,000	100	0	0	Inadequate funds released.
	Construction and rehabilitation of learning facilities (BTEVET)	19,070,000,000	7,764,412,723	100	10	3.69	Draft preliminary design for UPIK and UTC Kichwamba submitted for review by the MoES technical team. Construction work had not yet commenced.
1338: Skills Development	Policies, laws, guidelines, plans and strategies:	1,037,014,629	591,702,816	100	10	0.14	The procurement processes were still underway.
	Operational Support to UPPET BTVET Institutions	270,000,000	55,000,000	100	25	0.21	The process of renewing appointment of the 2nd council was ongoing.
	Construction and rehabilitation of learning facilities (BTVET)	38,784,108,000	16,211,561,875	100	0	0	No construction works had commenced at the five centers of excellence (UPIK Kigumba, Bukalasa Agric College, UTC Elgon, Lira, and Bushenyi UTC).
1368: John Kale Institute of Science and Technology (JKIST)	Policies, laws, guidelines, plans and strategies:	300,669,893	178,885,500	100	50	0.20	Salaries and gratuity was paid. One project steering committee meeting held.
	Purchase of Motor Vehicles and Other Transport Equipment	495,600,000	275,580,000	100	0	0	The three motor vehicles were not procured due to inadequate funds.
	Construction and rehabilitation of learning facilities	909,678,300	416,955,600	100	10	0.16	Construction did not start. The procurement of the contractor for fencing was before Solicitor

Subprog	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	(BTVET)						General for clearance.
1378: Support to the implementation of Skilling Uganda Strategy (BTC)	Policies, laws, guidelines, plans and strategies	298,584,000	164,221,200	100	40	0.17	Provided technical and financial support to BTVET – MoES to participate in the National Vocational Skills competitions and World Skills Africa competition.
	Training and Capacity Building of BTVET Institutions Continuous training with Abilonino /Nakawa VTI established						Conducted two pedagogy training workshops (Module 6 instructional leadership) for the 51 target instructors from the 5 VTIs. Externally financed output with a planned expenditure of EUR 10,000 and actual by Q2 was EUR 23,288.
	Monitoring and Supervision of BTVET Institutions						The SDF Manual was re-aligned to the Enabel grant agreement guidelines. Approved by the Steering Committee
	Construction and rehabilitation of learning facilities (BTEVET):	45,000,000	200,000,000	100	45	0.11	Over all progress of civil works across the five institutions was 38%. Two institutions were behind schedule that is; St. Joseph Vinka-Fortportal and Kasese Youth Polytechnic.
	Programme Performance (Outputs)					**37.02**	**Poor performance**

Source: Field findings and IFMS

Key Implementation Challenges

i) Delayed implementation especially for the donor funded projects under the programme.

ii) Long procurement processes affected some key outputs under the donor funded projects. For instance, Capacity Needs Analysis/Occupational Standards under component 1 of the Skills Development Project required 6-8 months to procure appropriate consultancy companies.

Conclusion

The overall performance of the Skills Development Programme was poor at 37.02%. Out of the eight monitored sub-programmes, only five had good performance. Poor performance was registered under the JKIST Project, Albertine Region Sustainable Development Project and Skills Development Project where a number of planned half year targets were not achieved.

Recommendations

i) The MoES should expedite implementation of the three sub-programmes that have delayed.

ii) The MoES Procurement Unit should endeavour to initiate procurement processes early.

iii) For future projects, the MoES should ensure that all the necessary preparatory requirements are fulfilled before a project becomes effective.

6.2.5 Quality and Standards Programme

The programme objective is to ensure enhanced efficiency and effectiveness of education and sports service delivery at all levels. There are six sub-programmes which include; Teacher Education, Education Standards Agency, Relocation of Shimon PTC, Development of PTCs phase II, Improvement of Muni and Kaliro National Teachers' Colleges, and Improvement of Secondary Teachers Education- Kabale and Mubende NTCs. Of these five were monitored to assess level of achievement and below are the findings.

a) Teacher Education Sub-programme (04)

The objectives are to: i) Support the improvement of quality and relevance of teacher/instructor/tutor education curricula and programmes for pre-service, in-service and continuing professional development, ii) Enhance teacher/instructor/tutor education institutional planning, management, service and governance, iii) Ensure increased and equitable access to teacher/ instructor/tutor education programmes, iv) Improve quality of education and standards in schools and institutions through inspection, support supervision and monitoring, assessment and certification, and v) Initiate new syllabuses and revise existing ones, carry out curriculum reform, research, testing and evaluation, bring up to date and improve syllabuses for school and college courses.

The approved budget for FY 2018/19 is Ug shs 10.149bn, of which Ug shs 5.822 bn (57%) was released and Ug shs 4.648bn (79.83%) expended by 31st December 2018.

Performance

Good performance was noted under the sub-programme with a number of planned outputs being implemented. Capitation grants, teaching practice, exams and living out allowances were disbursed for 3,751 NTC students in 5 NTCs; 200 students in Abiloino NIC; 120 students at Health Tutors College, Mulago; and atudents at Nakawa and Jinja VTIs. Industrial training was paid for 200 students at Abilonino NIC and disbursed subvention grants to Mulago Health Tutors College.

In addition; 50 visits were made to TIET institutions, lunch and kilometerage allowances were paid for 18 TIET staff members, however textbooks were not delivered to TIET institutions due to inadequate funds. *Summary of performance is in table 6.6.*

b) Education Standards Agency Sub-programme

The program's objectives are: i) to provide a systematic and coherent inspection and quality assurance service, ii) to strengthen inspection, effectiveness and efficiency by working through partnership with foundation bodies, NGOs and CSOs, iii) to support Education Managers by developing professional effectiveness and iv) to strengthen inspection in schools by holding school managers accountable.

The expected outputs are: i) scaling up inspection from 1,900 secondary schools to 2,600 secondary schools and 500 BTVET to 600 istitutions, 20 PTCs to 45 PTCs, ii) Capacity building and training for both Local Government and Central Government Inspectors, iii) Develop and review, disseminate guidelines for DEOs and Inspectors of all schools to all LGs iv) to use systematic approaches to inspection by carrying out Monitoring of Learning Achievement, and v) to empower foundation bodies and other education partners by equipping them with skills to effectively monitor schools.

The approved budget for FY 2018/19 is Ug shs 3.686bn, of which Ug shs 1.838bn (49.8%) was released and Ug shs 1.212 bn (65.9%) expended by 31st December 2018.

Performance

Good performance was note under this sub-programme. A total of 600 (out of 650 planned) secondary schools were inspected in Bunyoro, Lango and Acholi and the focus was on curriculum coverage and use; and availability of facilities in the regions.

Trained 100 head teachers and deputies, 100 SMCs and 10 District Inspectors on the Teachers Effectiveness and Learner Achievement System (TeLA). Staff capacity was enhanced through capacity building programs; a staff went to Korea for benchmarking and another to Rwanda for capacity building.

Monitoring of LG activities was ongoing to support education activities and the DES regional offices were monitored, however the targets set for Q2 were missed due to delay in accessing funds. Time on task was measured concurrently with inspection. *Summary of performance is indicated in table 6.6.*

Implementation Challenges

i) Delayed receipt of funds for inspection h affected scheduling of visits to institutions. Although the indicative figures were got early, the actual release of funds delayed.

ii) High costs of vehicle maintenance, it was noted the available cars were over eight years old and costs for maintaining them were very high.

c) Development of Primary Teachers' Colleges Phase II Sub-programme

This sub-programme aims at (i) rehabilitating the physical infrastructure in five recently upgraded PTCs to core status; and 22 non-core PTCs as well as (ii) providing equipment, furniture and instructional materials to improve the quality of training. The project started on 1st July 2017 and has an expected end date of 30th June 2019.

The expected outputs are; i) rehabilitation of: classrooms, science laboratories, administration blocks, tutors, houses, libraries and multi-purpose halls, ii) Provision of furniture for classrooms, laboratories and staff rooms, and (iii) Provision instructional materials for all subjects.

The approved budget for FY 2018/19 is Ug shs 6.909bn, of which Ug shs 5.867bn (84.9%) was released and Ug shs 4.586bn (78.1%) was expended by 31st December 2018.

Performance

Good performance was noted with overall progress of civil works averaging at 70% across the Primary Teachers' Colleges of Jinja, Kitgum, Erepi, Kabwangasi, Bikungu and Ngora. In Jinja PTC, the contract for civil works was awarded to M/s Newton Technical Services at a sum of Ug shs 800m for a period of 18 months. Cumulative disbursement from MoES was Ug shs 387,291,245, of which Ug shs 130,000,000 had been paid to the contractor and works were at roofing level for the administration block, a dormitory block and sanitation facilities.

L-R: Construction of administration block at Jinja PTC in Jinja District at roofing stage; Construction of boys Dormitory at Kitgum Core PTC, in Kitgum District at finishes level

In Kitgum PTC, the contract for civil works was awarded to M/s Pioneer Company, and by the end of December 2018, the boys' dormitory had been roofed pending finishes work. The contractor had, however, not resumed work since the festive season.

At Erepi PTC, the contract for civil works was awarded to M/s Build Line Contractors Limited at a sum of Ug shs 748,901,470 and the cumulative release from MoES by Q2 FY 2018/19 was Ug shs 537,710,539. Physical progress was at 80%, the semi-detached house was roofed and plastered, and poles were being erected for the fence to cover 2.5km.

At Kabwangasi PTC, the contract for civil works was awarded to M/s BMK (U) Limited at a sum of Ug shs 730,812,028 for a period of 18 months effective July 2018.Works were 70%

complete, the two classroom block, male dormitory block and sanitation facilities were at roofing level.

At Bikungu PTC, the overall progress was 85% for the administration block, dormitory block, two stance VIP latrine, six bathroom block and a six stance VIP latrine block were roofed pending finishing works (internal and external plastering) and at Ngora PTC, the contract for civil works was awarded to M/s.Semaj Construction Associate at a sum of Ug shs 969,000,000 for a period of 18 months effective June 2018. The dormitory block and semi-detached tutor's house was plastered.

Left: Construction of an administration block at finishes level, Right: Construction of a dormitory at finishes level at Bikungu PTC, Mutara S/c, in Mitooma District

The project started on 1st July 2017 and has an expected end date of 30th June 2020. It has the core objective of increased access to quality post-primary education and training, as part of Universal Post-Primary Education and Training (UPPET) as well as improved teaching and practice-oriented learning facilities sustained by strengthened management. The project cost for Muni and Kaliro is EUR 7,500,000 each. The cumulative disbursement by 31st December 2019 was EUR 1,356,917(18% and EUR 1,369,717(18%) for Muni and Kaliro respectively.

Performance

Performance of the sub-programme was good as a number of interventions were ahead of schedule. To improve the ICT management of the colleges; all the colleges were equipped with new ICT equipment (computers, printers and cameras), ICT managers' skills were strengthened via different trainings which included; computer hardware and maintenance and online training certified by the CISCO Academy.

Pedagogical approach to pre-and-in service teacher training were effectively applied at NTCs and in partner schools through two training modules; i) adult teaching and learning for NTC students and pedagogy for secondary school students.

Designs for renovation and new works in NTCs were completed and construction work started in November 2018. Overall physical progress was 19% and disbursement rate at the end of year 2018 was 18% for both Muni and Kaliro NTCs.

At Muni NTC, the contract for construction of accommodation facilities was awarded to M/s. Sumadhura Technologies and M/s Ambitious at a sum of EUR 1,987,495 and EUR 1,829,977 exc. VAT. The scope of works for Sumadhura Technologies is; construction of a new boys' dormitory, new girls' dormitory, four new service blocks, five toilet blocks, renovation of boys dormitory and girls dormitory, provision of a solar pump for existing borehole and external works.

For Ambitious Construction Co. Ltd, the scope of works includes; construction of a new staff house, new dispensary, new early childhood center, new toilets, renovation of 7 blocks of staff houses, electrical strengthening of science block, strengthening existing solar systems and external works. Civil works were ongoing for the different facilities, however, Ambitious Construction Co. Ltd had more workforce on ground compared to Sumadhura, and thus progress of their works were moving faster.

e) Improvement of Secondary Teachers Education-Kabale and Mubende NTCs (Project 1458)

Background

The project start date was 1st July 2015 and its expected completion date is 30th June 2019. The objectives are: i) to rehabilitate the physical infrastructure in 5 recently upgraded PTCs to core status; and 22 non-core PTCs, ii) to provide equipment, furniture and instructional materials to improve the quality of training. The project cost for Kabale and Mubende is EUR 8,000,000. The cumulative disbursement by 31st December 2018 was EUR 1,672,881 (21%).

Performance

Good performance was noted for some project components. The Project Coordination Unit was facilitated, staffs were trained and ICT equipment was supplied (i.e. 27 desk tops, eight laptops, four cameras, three desk printers, as well as assorted accessories). A total of 206 NTC pedagogical staff were trained on how to use Time-on-Task tools to track attendance; 33 NTC pedagogical staff were trained on how to carry out Action Research, and 197 lecturers were trained in Andragogy.

Under Government Buildings and Administrative Infrastructure, the contracts for civil works for Kabale and Mubende NTCs were awarded in November 2018.

At Kabale NTC, the contract for civil works was awarded to M/s Excel Construction at a cost of 2,315 685.60 Euros (VAT inclusive). The scope of works includes; Administration block extension and renovation, new library/ resource center, Kitchen and dining renovation, renovation of the laboratory complex, lecture halls, construction of a Kindegarten and external works.

While works at Kabale NTC were ahead of schedule at 13%; at Mubende NTC, actual construction had not started although site clearance and demolition of buildings had been done by February 2019.

Left: Renovation of the lecture room complex at roofing stage; Right: Construction of the Library/Resource Centre at Kabale NTC as at January 2019

Table 6.6: Performance of Quality and Standards Programme by 31st December 2018

Sub programmes	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity (%)	Physical performance Score (%)	Remark
Teacher Education	Policies, laws, guidelines plans and strategies	5,488,584,263	2,751,660,243	100	40	20.36	50 visits were made to TIET institutions. Text books were however not delivered due to inadequate funds.
	Teacher Training in Multi Disciplinary Areas	1,679,000,000	1,119,333,334	100	50	5.85	Disbursed capitation grants, teaching practice, exams and living out allowances.
	Training of	2,981,51	1,987,6	100	50	10.40	Paid industrial training for 200

Sub programmes	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity (%)	Physical performance Score (%)	Remark
	Secondary Teachers and Instructors (NTCs)	0,000	73,334				students at Abilonino NIC; disbursed subvention grants to Mulago Health Tutors College and capitation grants to 5 National Teachers Colleges.
Education Standards Agency	Policies, laws, guidelines plans and strategies	3,686,495,680	1,838,769,148	100	35	12.03	Trained 100 head teachers and deputies, 100 SMCs and 10 District Inspectors on the Teachers Effectiveness and Learner Achievement System (TeLA).
Development of PTC's Phase II	Policies, laws, guidelines, plans and strategies	96,570,000	55,259,500	100	30	0.24	Held seven site at Jinja, Bikungu, Kitgum, Ibanda, Kabwangasi, Ngora and Erepi PTCs.
	Government Buildings and Administrative Infrastructure	5,645,800,000	4,868,180,000	100	35	10.65	Overall progress of civil works averaged at 70% across the PTCs of Jinja, Kitgum, Erepi, Bikungu, Kabwangasi and Ngora.
	Arrears	671,923,281	671,923,281	100	0	0.00	Arrears not paid.
	Purchase of Motor Vehicles and Other Transport Equipment Procurement of 3 vehicles for improved operations of the Ministry	495,000,000	272,250,000	100	0	0.00	The procurement of the three vehicles was carried out in FY 2017/18. This FY 2018/19, the project intends to complete payment for the vehicles however by the end of Q2, the payments had not been made.
Improvement of Muni and Kaliro National Teachers Colleges	Policies, laws, guidelines, plans and strategies Maintenance of assets at Kaliro and Muni NTCs.	66,270,600	37,921,510	100	40	0.22	Trained staff and supplied ICT equipment to Kaliro and Muni NTCs. Established assets maintenance committees at Kaliro and Muni NTCs.

Sub programmes	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity (%)	Physical performance Score (%)	Remark
	Government Buildings and Administrative Infrastructure Construction of learning facilities and dormitories in Kaliro and Muni NTC	41,006,200	23,464,945	100	20	0.07	Designs were completed and construction works started in November 2018. Overall physical progress was 19% and disbursement rate at the end of 2018 was 18% for both Muni and Kaliro NTCs.
	070680; Taxes on Buildings and Structures	603,261,989	603,261,989	100	0.0	0.00	Not yet paid
Improvement of Secondary Teachers Education-Kabale and Mubende NTCs	Policies, laws, guidelines plans and strategies	13,505,400	7,728,090	100	45	0.05	Project PCU facilitated. Project meetings held and minutes produced.
	Government Buildings and Administrative Infrastructure	41,168,200	23,557,645	0.00	10.00	0.03	Works at Kabale NTC were ahead of schedule at 13%, while at Mubende NTC, site clearance and demolition of buildings was done, however actual construction had not started.
	Programme Performance (Outputs)					**59.89**	**Fair performance**

Source: Field findings and IFMS

Conclusion

The overall programme performance was fair at 59.89% mainly due to inadequate funds released to effectively implement the planned outputs.

6.2.6 Special Need Education Programme

The programme objective is to provide guidance on the delivery of special needs and inclusive education in a coordinated and adequately resourced manner for equitable and quality access to education by learners with special educational needs. The programme has two sub-programmes which were assessed to establish the level of implementation.

a) Special Needs Education and Career Guidance Sub-programme

The objectives are to; i) formulate appropriate policies, plans, guidelines and technical advice on special needs education, ensure awareness, compliance, quality and equal opportunity to education and training in regards to special needs education and strengthen collaboration with private service providers and coordination with line ministries, departments, National Planning Authority, higher institutions of learning, NGOs and other bodies, nationally, regionally and internationally.

The programme approved budget for FY 2018/19 is Ug shs 1.50bn, of which Ug shs 0.762bn (51%) was released and Ug shs 0.425bn (56%) expended by 31st December 2018.

Performance

Performance was poor as a number of planned activities were not implemented. The braille paper and eight braille machines for FY 2018/19 were not procured, monitoring and supervision was not carried out for both quarters as funds were used by MoES to pay allowances. On the other hand, the subvention grants to 100 SNE schools was sent, assorted equipment was procured, salaries and lunch paid and debts totaling to Ug shs 138m for braille paper procured in FY 2017/18 were cleared. For summary performance, refer to table 6.9.

b) Development and Improvement of Special Needs Education (SNE) Sub-programme

The project is tailored to promote Universality in education at primary and post primary education and training levels towards education for all by putting into consideration the children with special needs. The project started on 1st July 2014 and its expected completion date is 30th June 2019.

The objectives are to; i) expand special needs education and training provisions through vocationalisation of SNE for sustainable livelihoods; implement a functional assessment model for early identification of children with invisible impairements for subsequent early intervention; develop SNE specialized skills among key frontline stakeholders in the education delivery network; carry out advocacy and awareness building on special needs and inclusive education; and procure specialized instructional materials for enhancement of SNE in the country.

The approved budget for FY 2018/19 is Ug shs 3,266,797,971, of which Ug shs 1,665,915,869 (51%) was released and Ug shs 660,685,029 (39%) expended by 31st December 2018.

Performance

Poor performance was registered as a number of planned activities were not implemented. Outputs such as monitoring, purchase of office and residential furniture and fittings and purchase of specialized machinery and equipment were not done due to none availability of funds, and late initiation of procurement processes.

However some outputs were done and under training; a total of 69 staff for Mbale and Wakiso schools of the deaf were trained in sign language.

Under Government Buildings and Administrative Infrastructure: Mbale School for the Deaf received Ug shs 649m for the construction of two dormitories. The contract for civil works was awarded to M/s Newton Engineers Limited for a period of one year effective October 2018. The scope of works includes; two dormitories, five stance pit latrine and two shower blocks each with four units. Progress of works was 56.7% and the dormitories were roofed.

It was noted that bathroom designs did not cater for children with physical disabilities (wheel chairs) as the bathrooms were very small indicating that these children have to leave the wheel chairs outside. Furthermore, the school was not aware of funding for the perimeter wall, staff house and two classrooms as indicated in the MoES work plan. Summary of performance is indicated in table 6.9.

Table 6.9: Performance of the Special Needs Programme by 30th December 2018

Sub prog./Project	Output	Annual Budget (Ug shs)	Cum. Receipt	Annual Target	Cum. Achieved Quantity	Physical Performance Score	Remark
Special Needs Education and Career Guidance	Policies, laws, guidelines, plans and strategies	0.722	0.381	8.00	5.00	22.09	Braille papers and 8 braille machines for this year not yet procured.
	Monitoring and Supervision of Special Needs Facilities	0.132	0.060	2.00	0.30	1.35	Monitoring and supervision was not done for the 20 schools in Q1 and Q2 as the funds were used by MoES to pay allowances.
	Special Needs Education Services	0.644	0.321	2.00	1.00	19.71	The subvention grants to 100 schools was sent.
Development and Improvement of Special Needs Education (SNE)	Policies, laws, guidelines, plans and strategies	0.275	0.189	7.00	4.00	0.00	The 250 teachers were not trained in functional assessment. The 14 trainers were not trained and the 5 specialized instructors were not procured.
	Training	0.124	0.086	1.00	0.40	2.18	Trained 69 staff for Mbale and Wakiso schools of the deaf in sign language.
	Monitoring and Supervision of Special Needs Facilities	0.021	0.012	1.00	0.00	0.00	Monitoring was not done as funds were not received.
	Government Buildings and Administrative Infrastructure	0.954	0.399	6.00	0.00	0.00	The two dormitories were roofed.
	Purchase of Specialized Machinery and	0.295	0.162	5.00	0.00	0.00	The equipment for this FY will not be procured as funds will be used to settle debts for equipment

Sub prog./Project	Output	Annual Budget (Ug shs)	Cum. Receipt	Annual Target	Cum. Achieved Quantity	Physical Performance Score	Remark
	Equipment						procured last FY.
	Purchase of office and residential furniture and fittings	0.100	0.055	1.00	0.00	0.00	Procurement of the chairs, tables for classrooms at Mbale School of the Deaf had not been initiated.
	Programme Performance (Outputs)					**45.33**	**Poor performance**

Source: Field findings and IFMS

Implementation Challenge

i) The responsible officer for the department does not have rights on the IFMS systems to initiate payments of departmental activities. This often leads to late payments for requisitions and diversion of departmental funds to pay for activities outside the department. A case in point was when the department did not access funds for Q1 and Q2 to implement its activities and funds were diverted to pay for staff allowances.

Conclusion

The overall programme performance was poor (45.33%). A number of their planned activities were not implemented.

Recommendations

i) The finance committee of the MoES should align all expenditures of the different sub-programmes according to the approved work plan.

ii) All heads of departments/sub-programmes should have rights on the IFMS systems to be able to initiate payments for their activities as per their work plan as advised by the Accountant General.

Overall performance of Vote 013

Overall performance of vote 013 by half year was fair at 59.2%. Out of the six sub-programmes monitored, the best performing was Higher Education at 86.14%, followed by Pre-primary and Primary Education at 73.94%. Two programmes performed fairly (Quality and Standards at

59.89% and Secondary Education at 53.10%, while the worst two performing programme were Special Needs at 45.33% and Skills Development at 37.02%.

6.3 National Curriculum Development Centre (Vote 303)

The vote mission is to develop and provide curricula and instructional materials for quality education through continuous manpower development, Research and stakeholder consultation. The vote has one vote function; Curriculum and Instructional Materials Development, Orientation and Research.

The vote function has one recurrent programme; Headquarters and a development project; Support to NCDC Infrastructure Development.

Programme 01: Headquarters

Background

The program's objective is to develop and provide curricula and instructional materials for quality education through continuous man power development, innovation, and research and stakeholder consultation. The expected outputs are; Syllabus revision and curriculum reform, Development of teaching schemes, textbooks, teachers' manual, examination syllabus, teaching aid and instructional materials, Conducting in service courses for acquisition of knowledge and skills by persons required to teach new syllabuses and Carry out research on matters concerning curriculum.

Performance

The budget for FY 2018/19 was Ug shs 7.129bn, of which Ug shs 1.587bn (22%) was released and Ug shs 2.7bn (170%) expended by 31st December 2018. Almost all planned outputs for the half year were achieved. The curriculum for Nomads and fishermen was drafted, and was camera ready by end of Q2. The ECD parenting education framework for Uganda was finalized, and was camera ready by end of Q2. Both these activities were on schedule.

Under the pre-primary and primary education curriculum, the Nile English Course Book 6 and the LACE were reviewed and were ready for quality assurance. The procurement process for the Nile English Course Book 5 and PACE and the award was made. The development of assessment guidelines for the primary curriculum was completed.

Under the secondary education curriculum, the teachers' resource book for supporting gifted and talented learners was developed and at quality assurance level and on schedule. Development of a set of local language books that can be used to examine languages, general paper, sub maths and recipe books for food and nutrition and a resource book to support learners with autism was on course.

In addition the prototype text books for S.1 front runners was developed and was going through approvals.

Under the BTVET curriculum, the half year targets for planned activities were achieved. *The summary of performance is indicated in Table 6.7.*

Table 6.7: Performance of the NCDC Programme by 31th December, 2018

Subprogramme	Output	Annual Budget (Ug shs)	Cum. Receipt	Annual Target	Cum. Achieved Quantity	Physical Performance Score	Remark
Headquarters	Pre-primary and Primary Curriculum	0.674	0.083	6.00	6.00	9.45	The half year targets for all the planned activities under pre-primary and primary curriculum were achieved.
	Secondary Education curriculum	1.124	0.209	8.00	7.00	15.77	The half year targets for all the planned activities under secondary education curriculum were achieved
	Production of Instructional materials	0.044	0.003	2.00	2.00	0.62	All the lower secondary school materials, the text book specifications and syllabus documents were on course.
	BTVET Curriculum	0.263	0.055	3.00	3.00	3.68	Both the syllabus and teachers' guide and assessments were developed and approved. Targets for half year were achieved.
	Research, Evaluation, Consultancy and Publication	0.070	0.039	3.00	6.00	0.98	Two disseminations were held on ICT and sub maths.
	Administration and support services	4.955	1.199	2.00	2.00	69.50	All staff salaries were paid and statutory deductions made. All utilities and operational costs paid.
	Programme Performance (Outputs)					**100.0**	**Excellent performance**

Source: Field findings and IFMS

Conclusion

The programme performance was 100%. All the planned outputs and indicator targets for half year achieved.

Challenges

i) Inadequate funds to traverse the country to impart the pedagogy part to the ICT teachers. The few ICT teachers have theory and do not know how to teach this new curriculum.

ii) The NCDC does not have ICT and production specialists. So this department is not operational which impacts negatively on their work.

iii) The NCDC does not have funds to roll out the lower secondary school curriculum to a competency based curriculum.

6.4 Public Universities

To date, there are nine public universities and two Degree Awarding Institutions, namely; Makerere University, Mbarara University of Science and Technology (MUST), Makerere University Business School (MUBS), Kyambogo University, Uganda Management Institute (UMI), Busitema University, Muni University, Gulu University, Lira University, Kabale University, and Soroti University. Public universities are partly funded and fully owned by the state.

These universities enroll both Government and private students. The private students are charged fees which contribute to the Non-Tax Revenue (NTR) of the universities. Eight public universities and two Degree Awarding Institutions were monitored. Performance of the respective universities as 31st December 2018 is detailed below:

1) Busitema University (Vote 111)

The Vote's mission statement is to provide high standard training, engage in quality research and outreach for socio-economic transformation and sustainable development. The approved budget for FY2018/19 is Ug shs 31.780bn, of which Ug shs 17.259bn (54.3%) was released and Ug shs 13.853bn (80.3%) expended by 31st December 2018. The vote has one programme - Delivery of Tertiary Education and Research.

Delivery of Tertiary Education and Research Programme

The programme objective is to create a conducive teaching and learning environment for nurturing students at the University and enhance access to opportunities and meet the Higher Education requirements at national and international levels through production of hands-on skilled graduates, knowledge transformation and utilization of research and innovations.

The programme has two sub-programmes: Headquarters, and Institutional Support to Busitema University– Retooling. All the sub-programmes were monitored and below are the findings.

a) Headquarters Sub-Programme

The sub-programme's revised budget for FY 2018/19 is Ug shs 30,702,035,402, of which Ug shs 16,404,060,276 (53%) was released and Ug shs 11,786,384,030 (72%) expended by 31st December 2018. Release and expenditure performance was good as more than half of the budget was released and utilized by half year.

Performance

The sub-programme achieved most of the planned outputs under headquarters for the first half of the FY. A total of 3,342 registered students were taught and examined, 1,080 students graduated with Masters, Degrees, Diplomas and Certificates, of which 344 (32%) were female, while 736 (68%) were male.

Students of Faculty of Health Sciences participated in a National Quiz organized at Islamic University in Uganda (IUIU) Medical School Kibuli, laboratory and farm equipment were procured for practicals, 100 book titles were purchased to enhance teaching and learning, three staff were awarded scholarships to pursue PhD studies in the Faculty of Agriculture and Animal Science.

Additionally, the Faculty of Health Sciences-Mbale won a joint Grant with Makerere University, Kabale University, Agha Khan University and ACHEST from US-National Institutes of Health for a five year project worth USD 3.0 million to carry out research and training.

Under Administration and Support Services**;** two quarterly progress reports were produced and submitted to line ministries (MFPED and MoES); and two audit reports were prepared and submitted to the relevant committees for consideration. Mid-term review of the council was conducted**.** Some planned outputs such as payment of gratuity arrears were however not done because MFPED had not yet approved the payment lists. *Summary of performance is in table 6.7.*

b) Institutional Support to Busitema University-Retooling Sub-programme

The Busitema University Strategic Plan 2014/15 was developed in the quest to provide excellent teaching and learning, and promote research and knowledge transfer. The plan is cognizant of the need to improve the academic environment particularly retooling, teaching and learning facilities, such as lecture rooms, laboratories, workshops, libraries and general physical plant. Busitema University aims at this retooling project serving as a means of sustaining what has already been established. The project started on 1st July 2017 and expected completion date is 30th June 2022.

The revised budget for FY 2018/19 is Ug shs 1,077,520,811, of which Ug shs 851,780,507 (79%) was released and Ug shs 141,522,819 (17%) expended by 31st December 2018. Release performance was good, however, absorption of funds was low because some civil works were ongoing, and payments could not be effected as certificates were not yet raised.

Performance

Performance of the sub-programme was good with a number of planned outputs for the FY being implemented. Civil works were ongoing at the university's campuses of Nagongera, Pallisa and Mbale.

The multi-purpose block at Nagongera campus was at 75% and time taken was 8 months. Pending works included; completing the roof, plastering, finishes and land scapping. At Mbale campus, works were ongoing for completion of the foundation works, columns, block work, walling and part of the slab for the 1st floor of the lecture block. Preparation of Bills of Quantities was ongoing for civil works at Pallisa and Namasagali campuses. Renovation works were scheduled for Q3.

For purchase of Motor Vehicles and Other Transport Equipment, the university paid Ug shs 54,050,000 for the Guild Bus, Ug shs 55,219 059 for the nursing school van, and a contract was awarded for the procurement of the staff van for Arapai campus worth Ug shs 150,000,000.

Under purchase of specialized machinery and equipment, the institution procured medical equipment for the faculties of Agriculture and Health sciences, awarded a contract for the procurement of six clock-in systems, and signed a local purchase order for the purchase of laboratory equipment. *Summary of performance is in table 6.8.*

L-R: Lecture block at Arapai Campus in Soroti at final finishes; Lecture Block at Mbale campus, Busitema University

Table 6.8: Performance of Delivery of Tertiary Education and Research Programme–Busitema University by 30th June 2018

Sub programme/Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	**Teaching and Training**	18,671,214,710	9,335,607,356	100.00	44.35	52.11	A total of 3,342 registered students were taught and examined. (1,042 were female and 2,431 male).
	Research, Consultancy and Publications	134,471,937	67,235,969	100.00	23.13	0.20	32 publications were made and 90 items were uploaded on the institution's repository.
	Outreach	47,940,000	23,970,000	100.00	33.00	0.10	45 students of Faculty of Science Education participated in the general cleaning of the Health Centre IV in Nagongera.
	Student Welfare 710 students supported (with feeding and living out allowance)	1,674,178,368	837,089,174	100.00	32.90	3.47	647 students were supported (with feeding, living out allowances) of which 170 were females and 477 males.
	Administration and Support Services	8,335,102,084	4,301,029,474	100.00	41.25	20.97	Two quarterly progress reports were produced and submitted to line ministries (MFPED and MoES).
	Arrears	1,839,128,303	1,839,128,303	100.00	0.00	0.00	The gratuity arrears were not paid because the MFPED had not yet approved the payment lists.
Institutional Support to Busitema University – Retooling	**Purchase of Motor Vehicles and Other Transport Equipment** Staff van for Arapai campus procured. Payment of taxes on for Guild bus and Nursing	150,000,000	109,269,060	100.00	35.00	0.23	Contract was awarded for the procurement of the staff van for Arapai campus worth Ug shs 150,000,000. Paid taxes worth Ug shs 54,050,000 for the Guild Bus and Ug shs 55,219 059 for the nursing school van.

Sub programme/Project	Output/Sub programmes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	school van.						
	Purchase of specialized machinery and equipment	162,479,998	62,479,948	100.00	33.30	0.44	Contract awarded for the procurement of the clock-in systems. A local purchase order was signed for the purchase of laboratory equipment for the Faculty of Health Sciences.
	Purchase of office and residential furniture and fittings	31,000,000	-	100.00	25.00	0.00	Furniture was procured for the health unit in Busitema Campus.
	Construction and rehabilitation of learning facilities (Universities)	70,000,000	50,031,499	100.00	10.00	0.03	Preparation of BoQs was ongoing for civil works at Pallisa and Namasagali campuses. Renovation works were scheduled for Q3.
	Lecture room construction and rehabilitation (Universities)	664,040,813	630,000,000	100.00	35.00	0.77	Civil works were ongoing and at different stages of construction at the university's campuses of Nagongera, Pallisa and Mbale. Although the contract for the lecture block finishes at Arapai campus were awarded, works had not started.
	Total	31,779,556,213	17,255,840,818				
	Programme Performance (Outputs)					**78.31**	**Good performance**

Source: Author's Compilation

Challenges

i) **Inadequate funding for infrastructure projects:** With the current allocations for capital development, it will take the university over 20 years to complete the ongoing infrastructure projects, and this affects income generation of NTR and AIA. In addition the institution spends over Ug shs 165m in rent for the Faculty of Health Sciences in Mbale.

ii) **Inadequate staff**: Currently the university is operating at 20% for the teaching staff, and at 16% for the non-teaching staff. This has affected the non-wage as the university spends funds to recruit part time lecturers.

iii) **Inadequate wage** has limited the recruitment, retention and promotion of personnel within the university.

Recommendations

i) The MFPED should revise/come up with an allocation formula for capital development projects such that adequate funds are disbursed to allow timely implementation.

ii) The MFPED should provide resources to recruit more university staff in order for universities to deliver on the core mandate of teaching and research.

Conclusion

The overall performance for the vote was good at 78.31%. The vote's recurrent sub-programme had better performance than the development sub-programme. With the level of performance exhibited by the vote at half year; is very likely to achieve the set targets for the FY.

2) Muni University (Vote 127)

The Vote mission is to provide quality education, generate knowledge; promote innovation and community empowerment for transformation" and it aims to achieve this by conducting teaching, research, outreach activities, examinations and award degree, diplomas and certificates. The vote has one programme – Delivery of Tertiary Education and Research.

Delivery of Tertiary Education and Research Programme

The programme objectives are to: (i) ensure equitable access to higher education through expanded and equitable participation in a coordinated flexible and diversified tertiary system; (ii) ensure quality and relevant Higher Education where tertiary graduates are prepared to be innovative, creative and entrepreneurial in the private and public sectors; (iii)ensure an effective and efficient higher education through adequacy of Human, Financial and other resources in service delivery, accountability for and/or of financial, human and other resources, building and maintaining public-private partnerships in service delivery.

The programme has three sub-programmes; Headquarters, Support to Muni Infrastructure Development (Project 1298) and Institutional Support to Muni University-Retooling (Project 1463). All the sub-programmes were monitored to assess the level of implementation. The findings are detailed hereafter.

a) Headquarters Sub-programme

The approved budget for the programme FY 2018/19 is Ug sh 10,174,476,843, of which Ug shs 5,363,961,489 (53%) was received and Ug shs 3,572,688,710 (67%) spent by half year.

Performance

Fair performance was noted under the sub-programme. Teaching and training was well done as the required weeks of lectures and examinations were conducted. A total of 378 students registered and were taught, 154 students supervised, one staff training held, three short courses introduced, and 92 students graduated of which 25% were female.

The BFP for 2019/20 was prepared, academic programs were accredited and textbooks delivered. Additionally under Students' Welfare; students' living out allowance was paid, inspections conducted, one counselling session was offered, one week orientation was conducted, 150 students were screened, students' leaders inducted, and special needs students were supported.

The university's key function of research however was not done due to inadequate personnel to conduct research. *Summary performance is in table 6.9.*

b) Support to Muni Infrastructure Development Project (1298)

The project started on 1st July 2014 and its expected completion date is 30th June 2019. The major objectives are; i) creation of a conducive environment for practical teaching and training, research, knowledge generation and storage at all times and ii) equitably expand Higher Education at undergraduate and postgraduate levels. It is expected that at the end of the project, lecture rooms will be constructed, research innovation support center constructed, ICT infrastructure constructed, multipurpose laboratory completed, walkways and university canteen constructed.

The annual budget for this project is Ug shs 3,259,048,684, of which Ug shs 1,059,909,084 (33%) was released and Ug shs 187,421,379 (18%) expended by 31st December 2018.

Performance

Performance for the Government Buildings and Administrative Infrastructure was poor as a number of planned activities were at the initial stages of implementation. The contract for civil works for the multi-purpose laboratory was at award level, master planning process was halfway done, and the soak pit was not constructed due to inadequate funds.

The completion works on the perimeter fence had not started and progress stood at 95% complete. The start date for this fence was October 2016 and the expected completion date was 14th February 2019. *Summary performance is in table 6.9.*

c) Institutional Support to Muni University-Retooling Project (1463)

The project started on 1st July 2017 and its expected end date is 30th June 2022. The project is aimed at providing a conducive learning lecture rooms and laboratory that are well furnished for practical learning and the expected outputs are; computers, specialized science and ICT equipment, furniture for students and staff, transport equipment purchased.

In FY 2018/19, the approved budget is Ug shs 1,340,000,000, of which Ug shs 600,000,000 (45%) was released and Ug shs 213,011,847 (36%) was expended by the half year.

Performance

The University's retooling sub-programme performed poorly as only furniture at the guest house was procured. Procurement of office, ICT equipment and most of the furniture was not done and the purchase of motor vehicles was at the procurement stage. *Summary of performance is indicated in table 6.9.*

Table 6.9: Performance of Muni Vote by 31st December, 2018

Sub programme	Output	Annual Budget (Ug shs bn)	Cum. Receipt (Ug shs bn)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	Teaching and training	3.53	1.87	100.	59.30	14.16	A total of 21 weeks of lectures were conducted, 378 students registered and taught, and two semester examinations conducted, courses introduced.
	Research, consultancy and public relations	0.19	0.097	100	0.00	0.00	This was not done due to inadequate personnel to conduct research.
	Outreach	0.07	0.03	100.	50.00	0.22	Four community engagements were held, two mentorship sessions and two radio talk

Sub programme	Output	Annual Budget (Ug shs bn)	Cum. Receipt (Ug shs bn)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							shows were organised.
	Students' Welfare	1.12	0.55	100.	79.86	5.98	Students' living out allowance was paid and inspections conducted.
	Administration and support services	5.11	2.71	100.	72.00	24.91	One stakeholder curriculum review workshop held, 3 council and senate meetings held.
	Human Resource Management Services	0.08	0.04	100.	31.25	0.16	8 trainings held, needs assessment done and salaries paid. Short courses were not done.
	Records Management Services	0.01	0.005	100.	50.00	0.03	Records processed and timely accessed/ delivered, draft records management policy developed, Record management system strengthened.
	Guild Services	0.02	0.01	100.00	10.00	0.01	Two Guild council meetings and executive meetings were done. Other outputs could not be achieved due to limited budget.
	Contributions to research and international organizations	0.03	0.017	100.	20.00	0.05	Contributions were made to only 2 out of 7 research organization.
	Arrears	0.028	0.028	100.	0.00	0.00	Arrears not yet paid.
Support to Muni Infrastructure Development	Government Buildings and Administrative Infrastructure	3.21	1.01	100.00	33.57	7.29	The contract for the multi-purpose laboratory was awarded, preparation of the master plan was halfway done and the perimenter fence was 95% complete.
	Arrears	0.05	0.05	100	0.00	0.00	Arrears not yet paid.

Sub programme	Output	Annual Budget (Ug shs bn)	Cum. Receipt (Ug shs bn)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Institutional Support to Muni University	Purchase of motor vehicles and other transport equipment	0.3	0.06	100	10.00	0.20	Initiated procurement process for motor vehicle.
	Purchase of Office and ICT Equipment, including software	0.3	0.09	100	0.00	0.00	This was not done due to inadequate funds.
	Purchase of Specialised Machinery and Equipment	0.42	0.14	100.00	0.00	0.00	This was not done due to inadequate funds.
	Purchase of office and residential furniture and fittings.	0.32	0.32	100.00	14.30	0.31	Only furniture for guest house was procured. Other items were not procured due to insufficient funds.
	Programme Performance (Outputs)					**53.34**	**Fair performance**

Source Field Findings, IFMS

Implementation Challenges

i. Delayed release of development funds. By Q2, only 35% of development funds had been released.
ii. The budget of Ug shs 3.2 billion for non-wage is inadequate to cater for university requirements including students living out allowance, NSSF, gratuity etc.
iii. The university is understaffed which has resulted in an inability to conduct research.

Conclusion

The overall performance of the vote was fair. The recurrent sub-programme performed better than the development sub-programmes as a result of inadequate releases and procurement delays for the first two quarters.

Recommendations

i) The MFPED should provide funds to recruit additional personnel.

ii) The university should appropriately budget for all statutory deductions (NSSF and gratuity) for all contract staff.

3) Mbarara University (Vote 137)

The strategic objectives of the vote are to: increase equitable access to higher education, produce quality and high skilled graduates, enhance the quality and quantity of research and innovation output, and to consolidate and enhance university outreach and community engagement programmes. The vote has one programme - Delivery of Tertiary Education. The programme outcome is increased competitiveness and employable graduates.

Delivery of Tertiary Education Programme

The programme aims to provide quality tertiary education for national integration and development through improved teaching and training of science and Technology at all levels, research and innovation with a bias of community orientation. The program comprises three sub-programmes namely; Headquarters, Development, and Institutional Support to Mbarara University-Retooling.

The total budget for FY 2018/19 is Ug shs 48.014bn inclusive of AIA, amounting to Ug shs 12.920bn, and GoU, amounting to Ug shs 35.094bn. By 31st December 2018, the GoU component had released Ug shs 17.501bn (50%), of which Ug shs 13.981bn (80%) had been expended.

a) Headquarters

The sub-programme objectives are; to produce relevant human resource in applied science, technology and management skills; to generate and disseminate knowledge and innovation; and to provide services to the public in analyzing and solving development challenges.

The programme's budget for FY 2018/19 is Ug shs 31.495bn, of which Ug shs 15.747bn (50%) was released and Ug shs 12.897bn (82%) expended by 31st December 2018.

Performance

The sub-programme registered good performance and a number of their planned outputs were accomplished. Under teaching and training, staff salaries for 515 staff were paid, 964 students were graduated, two quality assurance and curriculum review meetings were conducted, faculty allowance to 542 students was paid and 1 study trip to Nakasero Blood Bank was held. The 14 research studies, one publication, two public lectures and four workshops planned were not conducted,

Under Research and Publication, one research dissemination conference was held, one publication by FCI was produced, and one research study by FIS was conducted. Similarly, under outreach a twinning program in nine Mbarara villages was held.

Under student welfare, recreation services were provided for 4,015 students and living out allowances were paid for 637 GoU students, and hostels were cleaned. Under administration and support services, utility bills were paid for, council meetings held and salaries paid.

Lastly, the sports teams were facilitated to participate in the East African University games held in Dodoma, Tanzania under guild services, and membership fees were paid to the ACU and Federation of Uganda Employers under Subscription to Research and International Organizations. Summary of performance is indicated in table 6.10.

b) Development of Mbarara University sub-programme

The sub-programme aims to: increase access to university education with particular emphasis on science and technology education and its application in rural development, create a spacious and well planned university campus for teaching, research and learning environment, to establish a Faculty of Applied Science and Technology, create room for expansion of programmes offered to increase student intake in health science, business and interdisciplinary studies at undergraduate and postgraduate levels for sustainability, encourage a Public-Private Partnership in education provision, and to create room for expansion of the School of Health Sciences at Mbarara campus.

The total budget for FY 2018/19 is Ug shs 3.126bn, of which Ug shs 1.452bn (46%) was released and Ug shs 0.974bn (67%) was expended by 31st December 2018.

Performance

This sub-programme registered good performance. Under Government Buildings and Administrative Infrastructure, Phase 1 construction works for Faculty of Computing Block by M/s Steam Investment Limited was at 36% progress and two certificates had been raised and one was paid. Construction works started in June 2018 and are expected to be completed on 26th August 2019 at a cost of Ug shs 4.325bn.

Works on the students' hostel started on 13th June 2018 and has an expected completion date of 3rd June 2019. The works were contracted out to M/s Khalsa Development Limited at a cost of Ug shs 3.192bn and by half year progress was at 58.5% vis-a-vis time progress of 56%. Civil works on this block were ahead of schedule.

Additionally renovation works at Mbarara campus were at varying levels, the pharmacology building was at roofing and painting level. The anatomy and academic registrar block was at procurement and replacement was done for the burnt underground copper armored electric cables for 280 metres.

Under roads, streets and highways, an application to review and change the work plan to include works on the gate at Kihumuro instead of road works were submitted to MFPED and was underway. *Summary of performance is indicated in table 6.10.*

L-R: Construction of the students' hostel, and Construction of the Faculty of Computing at Mbarara University of Science and Technology

c) Institutional Support to Mbarara University-Retooling

The sub-programme aims to provide a conducive environment for teaching and learning through, provision of relevant equipment, including software, specialized machinery, purchase of office and residential furniture and fittings.

The total budget for this sub-programme for FY 2018/19 was Ug shs 0.473bn, of which Ug shs 0.309bn (65%) was released and Ug shs 0.110bn (36%) was expended by 31st December 2018.

Performance

Good performance was noted under the sub-programme and a number of outputs were achieved. The pharmacy and library block received an upgrading of their network systems under purchase of office and ICT equipment.

Under Purchase of Specialized Machinery and Equipment, a number of items where procured for instance; a refrigerator and a printer, a desktop for Finance Department, a safe for Legal Office and 4 laptops and a projector, a laptop for Planning Unit, and a photocopying machine for Vice Chancellor's Office were also purchased.

Under Purchase of Office and Residential Furniture and Fittings, two bookshelves for Deputy Vice Chancellor, and Finance and Administration, two office chairs, three seater airport cushioned chairs and one filling cabinet for FOS were procured. *Detailed performance is in table 6.10.*

Table 6.10: Performance of Mbarara University Vote by 31st December, 2018

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	Teaching and Training	20.200	10.124	9.00	4.00	51.04	Procurement of text books was still at evaluation stage by half year and therefore not supplied. LPOs worth Ug shs 62m remained open by end of the quarter in respect to laboratory supplies and stationery).
	Research, Consultancy and Publications	0.069	0.035	5.00	0.10	0.01	The annual dissemination conference was held.
	Outreach	0.081	0.000	4.00	1.00	0.23	Majority of plans are scheduled for Q4 but the community twinning programmes in 9 Mbarara villages were conducted
	Students' Welfare	0.357	0.179	4.00	2.00	1.02	All planned outputs were conducted.

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Administration and Support Services	10.699	5.365	8.00	4.00	30.40	All planned outputs were conducted.
	Guild Services	0.060	0.030	2.00	1.00	0.17	Transfer of Ug shs 25m to ITFC Bwindi for forest conservation research was yet to be done.
	Contributions to Research and International organizations	0.030	0.015	2.00	0.50	0.04	Membership Fees to RUFORUM, Association of African Universities, AICAD, and RENU) and subscription fees to journals were yet to be made.
Development	Government Buildings & Administrative Infrastructure	2.676	1.053	3.00	1.00	6.46	Construction works were ongoing at varying levels. The works at the Faculty of Computing were 36% complete, and Students Hostel block at 56%.
	Roads, Streets and Highways	0.050	0.000	1.00	0.00	0.00	Works not started. Application to change the work plan ongoing.
	Construction and rehabilitation of learning facilities (Universities	0.400	0.400	2.00	1.00	0.57	Renovation works were ongoing and burnt underground copper electric cables were replaced.
Institutional Support to Mbarara University - Retooling	Purchase of Motor Vehicles and Other Transport Equipment	0.100	0.036	1.00	0.00	0.00	Procurement of the staff station wagon not conducted. Funds used to pay balance on the double cabin pickup.
	Purchase of Office and ICT Equipment, including Software	0.100	0.065	3.00	0.50	0.07	Procurement of desktop computers for laboratories not done.
	Purchase of Specialized Machinery & Equipment	0.203	0.162	10.00	8.00	0.58	Partial procurement conducted, open for assorted machinery and equipment.

Sub programme	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Purchase of Office and Residential Furniture and Fittings	0.070	0.046	10.00	4.00	0.12	Partial procurement conducted, open LPOs for furniture and fittings for FAST, FoS, board room.
	Programme Performance (Outputs)					**90.71**	**Very Good performance**

Source Field Findings, IFMS

Challenges

i) Understaffing: The university is severely understaffed in some of its faculties such as the Faculty of Applied Sciences, and the Faculty of Medicine, where clinicians also work part time at the regional referral hospital. Staffing levels are currently at 22% and there is a very high staff turnover. In addition, inability to promote staff is leading to staff attrition.

ii) While the university is expanding, the budgets remain low and stagnant. The burden of cleaning, maintenance and security, for instance, has risen with the construction of the new facilities and is currently constraining the recurrent budget. The development budget cannot cater of the necessary expansion of learning facilities as well as the desperately needed renovation of old buildings. As a result, there are several buildings at the Mbarara main campus that are severely dilapidated and almost condemned.

Conclusion

The overall performance for the university was good at 90.7% by half year. Output performance varied across sub-programmes/projects, with the recurrent project doing better than the development projects.

4) Makerere University Business School (Vote 138)

The institution's mandate is to enable the future of their clients through creation and provision of knowledge. It aims at achieving this through providing high quality programmes in volume and high value of Business and Management Education programmes at diploma, undergraduate and postgraduate levels in the country. The vote has one programme – Delivery of Tertiary Education and Research.

Delivery of Tertiary Education and Research Programme

The programme objectives are to: i) offer learning and acquisition of knowledge; ii) conduct research, promote scholarship and publicize knowledge; iii) attract, develop and retain staff, iv) provide an enabling atmosphere for students to learn, v) to enhance students welfare, and vi) to enhance Corporate Social Responsibility.

The programme outcome is - access to quality management and business education skills. The outcome indicator is number of students graduated with employable management and business skills in the country per annum (target – 5,200). The programme has two sub-programmes; Administration, and Support to MUBS Infrastructural Development (Project 0896). All the sub-programmes were monitored to assess the level of implementation and the findings are hereafter.

a) Administration

The approved budget for FY 2018/19 is Ug shs 29.69bn, of which Ug shs 15.02bn (50%) was released and Ug shs 11.72bn (78%) was expended by 31st December 2018.

Performance

Good performance was registered under this sub-programme as a number of planned outputs were achieved by half year. Under Teaching and Training, the institution registered a total of 17,069 students for MUBS main campus, regional campuses and affiliated colleges; graduated 5,347 students; drafted the final examination time table, awarded certificates to best performing students per faculty; received MBA and MHRM applications from Arua campus, compiled and released semester one exam results and carried out online registration of students.

Under Students' Welfare, living out allowances to 996 non-resident government sponsored students were paid, repairs to student wash rooms, and electrical fittings in student rooms were made. A total of 950 students were fed, the Disability Policy and Center were operationalized, and students with disabilities were given support.

Under Administration and Support Services, three academic staff were recruited, two senior administrative staff and 12 support staff. Four staff enrolled on the PhD programmes, and five staff were facilitated on short term training. Salaries for 986 staff were paid and medical refunds and facilitation was made to 56 staff who were ill and had sought treatment outside the Health Services Centre.

The school disbursed loans to 72 staff who had applied for the facility in line with the School Policy and also purchased wedding gifts for 6 staff who wedded, whereas condolence contribution was extended to 17 staff who lost their close relatives, and a staff who passed on. *Summary of performance is indicated in table 6.11.*

f) Support to MUBS Infrastructural Development Project

The project started on 1st July 2015 with an expected completion date of 30th June 2020.

The expected outputs are; construction of lecture halls to expand lecture space; replacement of asbestos roofs; purchase of office and ICT equipment including software, purchase of specialized machinery and equipment; purchase of office and residential furniture and fittings. The new library complex is expected to be furnished with equipment and furniture in a phased manner.

The approved budget for FY 2018/19 is Ug shs 2.8bn, of which Ug shs 2.3bn (79.8%) was released and expended by 31st December 2018.

Performance

The overall performance was good with a number of planned activities being implemented. The access road was 94% complete and the contract was fully paid. However there were variations noted in the contract that awaited the Solicitor General's approval and the contract period had expired

Civil works for construction of the bursar's office- Block I at MUBS main campus were contracted out at a sum of Ug shs 2,866,455,158, of which Ug shs 2,337,087,047 had been paid, pending payment of final certificate of Ug shs 300m. By February 2019, the civil works were 98% complete, and the contractor working on the snag list. It was however noted that the contract period had expired.

Additionally, works for the completion of the Library Short Tower at the MUBS main campus were contracted out at a sum of Ug shs 2,345,283,158, of which Ug shs 700,705,807 has been paid by 31st December 2018 and progress was at 65% completion. The contract expired (26th January 2019) and the contractor requested for an extension which was not yet approved.

The university acquired land from Mbarara LG, and awaited communication from the LG to pay the local lease fees. *Summary of performance is indicated in table 6.11.*

L-R: Construction of the bursar's office; Part of the tarmacked 600 metres of the road at MUBS

Table 6.11: Performance of the Delivery of Tertiary Education Programme-MUBS by 31th December 2018

Sub prog./Project	Output	Annual Budget (Ug shs)	Cum. Receipt	Annual Target (%)	Cum. Achieved Quantity (%)	Physical Performance Score	Remark
Administration	Students' Welfare	1.451	0.725	5.00	1.00	1.79	Living out allowances to 996 non-resident government sponsored students was paid, and 950 students were fed.
	Administration and Support Services	27.898	13.949	11.00	5.00	78.05	27 staff benefitted from the staff loan scheme. Prepared Q1 and Q2 progress reports, the BFP and all reports.
	Arrears	0.343	0.343	1.00	1.00	1.06	Paid arrears.
Support to MUBS Infrastructural Development Project	Government Buildings and Administrative Infrastructure	2.800	2.639	4.00	3.60	8.23	Civil works were ongoing at the Bursar's office- Block I at MUBs main campus(98%) and the Library Short Tower at the MUBS main campus (65%)
	Programme Performance(0ut puts)					**89.13**	**Good performance**

Challenges

i) The contractor for the access road did not complete works within contract period because of delays in approval of contract variations

ii) Works for the Main Library Short Tower delayed due to changes in design and scope

Conclusion

The overall performance of the MUBS was good (89.13%), as at half year for both the recurrent and development sub-programmes.

5) Kyambogo University (Vote 139)

The vote mission is to advance and promote knowledge and development of skills in Science, Technology and Education, and in such other fields having regard to quality, equity, progress and transformation of society. The vote has one programme- Delivery of Tertiary Education.

Delivery of Tertiary Education Programme

The programme's objectives are; i) creation and promotion of knowledge, ii) equitably expand the access to higher education, iii) capacity building, iv) provision of education and skills development, and v) produce highly and practically skilled man power for service delivery to society.

The programme has two sub-programmes which were all monitored to assess the level of implementation. Findings are below.

a) Headquarters

The programme's revised budget for FY2018/19 is Ug shs 51.18bn, of Ug shs 25.75bn (50.3%) which was released and Ug shs 22.7bn (88.2%) spent by 31th December 2018.

Performance

Output performance was good. Under Teaching and Training - 32,724 students were enrolled. They were taught for semester one, examined and marked. A total of 7,661 students graduated. Assorted instructional materials were procured, all staff salaries were paid and allowances for non-teaching staff paid. The 15th graduation ceremony was held with 524 students graduating with first class degrees. Assorted instructional materials were procured.

Under Administration and Support Services: BFPs, work plans, procurement plans and all quarterly performance reports were prepared and submitted. Students underwent their routine medical examinations.

Under Guild Services: Inter-hall faculty sports competitions at the University campus were conducted, participated in the university rugby league, participated in the university football league, university floodlights basketball league, and other games activities. The university hosted the East African Debate Championship. *Summary of performance is indicated in table 6.12.*

Development of Kyambogo University (Project 0369)

The project's start date was 1st July 2015 with an expected completion date of 30th June 2020. The objectives are to: i) improve and expand space for teaching, learning, office accommodation; establish a directorate of ICT, ii) enhance ICT management, quality assurance directorate to provide adequate learning and instructional materials, iii) enhance staff capacity building through funding research and training programmes; and iv) provide goods and services for students welfare.

The expected outputs are; i) construction of central lecture block, ii) renovation of buildings, iii) procurement of furniture, iv) setting up a good ICT infrastructural development network system. The approved budget for FY 2018/19 is Ug shs 891,414,379bn, of which Ug shs 849,850,786bn was released (95%) and Ug shs 177,364,130bn (21%) absorbed by 31st December 2018.

Performance

Output performance was good as a number of facilities were constructed, renovated and maintained. Civil works at the Central Lecture block works were completed pending the snag list. Preparations for the Innovations and Entrepreneurial Center were ongoing.

Under Roads, Streets and Highways: Potholes on Fisher Road were repaired, grading and earthworks were done on Crescent Road, Mackay Ring Road, Hallow Road, and the road to Banda Trading Center. The drainage was also improved as the roads were being done.

Additionally, assorted ICT equipment was procured for the different departments. These included laptops, flash disks, antivirus, a Samsung tablet, UPSs, external drives, HP printers, one Techno Ipad, one smart phone, HP laser jets, one projector, and computer sets. The annual target was achieved.

Under purchase of Motor Vehicles, procurement was at evaluation level. The plan is to procure vehicles for the Academic Registrar, University Secretary, Deputy Vice Chancellor and one for Finance and Administration. Procurement of the 8 motor cycles was reduced to two due to inadequate funds.

It was however noted that the medical center annex was not completed because the university planned to use the engineering students to for construction which required clearance from the PPDA. The clearance had not been received. *Summary of performance is indicated in table 6.12.*

Table 6.12: Performance of the Delivery of Tertiary Education and Research Programme- Kyambogo University by 31st December 2018

Sub prog./Project	Output	Annual Budget (Ug shs)	Cum. Receipt	Annual Target (%)	Cum. Achieved Quantity (%)	Physical Performance Score	Remark
Headquarter	Teaching and Training	28.991	14.496	12.00	5.00	46.40	A total of 32,724 students were enrolled. Assorted instructional materials were procured, all staff salaries were paid and non-teaching paid their allowances.
	Administration and Support Services	18.406	9.200	12.00	5.50	32.41	All the performance reports were made and submitted as required.
	Guild Services	3.465	1.733	8.00	4.00	6.65	All guild services were done.
	Arrears	0.318	0.318	1.00	0.00	0.00	Arrears not yet paid.
Development of Kyambogo University	Government Buildings and Administrative Infrastructure	0.663	0.621	4.00	1.00	0.34	The central lecture block phase I was completed in Q2 pending the snag list. The Medical Centre Annex not yet completed. They had not yet got clearance from PPDA. The Innovation and Entrepreneurial Centre had not yet taken off.
	Purchase of office and residential furniture and fittings	0.060	0.060	2.00	2.00	0.12	The furniture is to be procured in Q3 and Q4.
	Arrears	0.169	0.169	1.00	0.53	0.17	Partial payment of arrears.
	Programme Performance(out puts)					**86.09**	**Good performance**

Source: Field Findings, IFMS

Key challenges

i) Inadequate development funding of only Ug shs 720m from government, yet Kyambogo University took over all the liabilities of the previous Institute of Teacher Education Kyambogo (ITEK), Uganda Polytechnic Kyambogo (UPK), and Uganda National Institute Special Needs Education (UNISE). The university largely depends on AIA.
ii) The university is understaffed (43%) leading to high dependency on part time staff and using AIA to pay them.
iii) The university is faced with high level of domestic arrears amounting to Ug shs 15bn for both teaching claims and suppliers.
iv) There are inadequate sewerage system and sanitation facilities.
v) The university has limited teaching space compared to the increasing number of students and office space for lecturers with lecturers doing official work from their cars and from homes.
vi) The university has inadequate funds to finance the removal of its asbestos roofed structures.

Conclusion

The overall performance was good (86.09%) as at half year both for development and for the recurrent programmes.

6) Gulu University (Vote 149)

The University's mission is to provide access to higher Education, Research and conduct quality professional training for the delivery of appropriate services directed towards community transformation and conservation of bio-diversity. The vote has one programme; delivery of tertiary education and research.

Delivery of Tertiary Education and Research Programme

The programme objectives are to: i) provide instructions to all those admitted to the University and to make provision for the advancement, transformation and preservation of knowledge, and to stimulate intellectual life in Uganda; ii) organize and conduct courses with particular emphasis on Medical, Agriculture, Environmental and other Sciences; iii) conduct examinations and award certificates, diplomas and degrees, and where necessary to revoke such awards iv) undertake the development and sustenance of research and publication with particular emphasis in Medical, Agriculture, Environment and other Sciences, v) disseminate knowledge and give opportunity of acquiring higher education to all persons, including persons with disabilities, wishing to do so regardless of race, political opinion, color, creed or sex, and vi) provide accessible physical facilities to the users of the University.

The three sub-programmes under the programme were monitored and below are the findings.

a) Administration Sub-programme

The revised budget for FY 2018/19 is Ug shs 33.374bn, of which Ug shs16.439bn (49%) was released and Ug shs 13.092bn (80%) expended by 31st December, 2018.

Performance

Good performance of the sub-programme was noted as a number of set targets for the half year were achieved. A total of 240 students (out of the planned 260) and 2,300 private students were admitted. Eight additional PhD and 15 master programme students were registered. Three academic staff were sponsored to undergo training in oil and gas, however seven administration staff were not facilitated to undergo trainings due to inadequate funding.

Five (out of 15 planned) research writing trainings were conducted, 250 students from the Faculty of Agriculture and Environment completed field attachments and industrial visits, and 100 medical students conducted community clerkship in 30 health centers.

Living out allowance for 800 Government sponsored students was paid and welfare was provided for 10 disability students for six months. Salaries and wages for staff were paid; remitted NSSF and PAYE to URA for 440 staff and 65 casual workers. *Summary of performance is indicated in table 6.13.*

b) Support to Gulu Infrastructure Development Project (0906)

The project started on 1st July 2015 with an expected completion date of 1st June 2020. Project objectives are to; i) implement the Master Plan, ii) acquire 70 acres of land from National Forest Authority, iii) construct non-residential buildings, iv) carry out infrastructural development, v) acquire 742 Hectares of land at Laroo, vi) acquire 3,000 Hectares of Land in Nwoya, vii) construct Local Area Network (LAN), ICT, install wireless (WiFi) in the campuses, link all the campuses, increase internet bandwidth from 5Mbps to 30Mbps, viii) implement Computerized Education Management Accounting System (CEMAS), ix) Library and Faculty of Agriculture and Environment), Multi-Functional Bio-Science Laboratory, xii) Business Center.

The revised budget for FY 2018/19 is Ug shs 1.346bn, of which Ug shs 0.411bn (31%) was released and Ug shs 0.236bn (57%) expended by 31st December 2018.

Performance

Under the sub-programme, the university opened up boundaries of its lands at Nwoya, Latoro, and Purongo however the forest land was under dispute with the neighboring primary school. Drawing of master plans and business plans for the seven pieces of land was finalized. Technical handover of one new library, one Multifunctional Bio-Science Laboratory with AfDB-HEST project funding was done, and facilities were under use.

Under Government Buildings and Administrative Infrastructure, curtains for the Administration Block were replaced, however the procurement process for tilling of the main administration was not completed.

c) Institutional Support to Gulu University – Retooling

The project started on 1st July 2017 and its expected end date is 30th June 2022. The project has the core objective of creating a conducive teaching and learning environment for nurturing students at the university and enhancing production of hands - on skilled graduates, knowledge transformation and utilization of research and innovations. The expected outputs are: procurement of machinery and equipment, procurement of furniture and fittings, procurement of staff van, procurement of double cabin pick-ups, procurement of faculty bus and ICT LAN connectivity and maintenance.

The revised budget for FY 2018/19 is Ug shs 1.34bn, of which Ug shs 0.932bn (69%) was released and Ug shs 0.471bn (51%) was expended by 31st December 2018.

Performance

The university procured IT equipment for the Academic Registrar to implement the AMIS program, the outstanding balance on the heavy duty generator (200KVA) procured for the Faculty of Medicine during FY 2017/18 was cleared, and 850 lecture chairs were procured. In addition, the procurement process for the furnishing of laboratories at the faculties of Science, Agriculture and Medicine was initiated.

Under the sub-programme however, the station wagon for the Vice Chancellor and ambulance for the medical unit were not procured. An advertisement was put out for the ambulance but no competent firm responsed. *Summary of performance is indicated in table 6.13.*

Table 6.13: Performance of the Delivery of Tertiary Education and Research Programme-Gulu University by 31st December 2018

Sub prog/Project	Out put	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	Teaching and Training Admit 260 Government and 2,300 private students	11,558,043,882	5,360,652,822	100	46	31.98	Admitted 240 students on Government and 2,300 private students. Registered 8 additional PhD and 15 additional master programme students.
	Research, Consultancy and Publications	211,892,512	103,898,170	100	25	0.30	Five publications were made, five research proposals prepared, and presented for approval and funding.
	Outreach	9,805,529,910	4,679,912,003	100	40	22.92	Conducted community clerkship in 30 health centers for 100 medical students.
	Student Welfare	1,763,135,278	1,357,834,370	100	50	3.19	Paid living out allowance for 800 Government sponsored students.

Sub prog/Project	Out put	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Administration and Support Services	9,364,815,183	4,402,293,352	100	50	26.12	Paid salaries and wages; and remitted NSSF and PAYE to URA for 440 staff and 65 casual workers.
	Guild Services	512,446,000	512,446,000	100	50	0.71	Successfully formed the Guild Government and sworn in executives.
	Contributions to Research and International Organizations	22,553,284	22,553,000	100.00	50.00	0.03	Made annual contributions for research journals, periodicals and subscriptions to international organizations.
Gulu University Infrastructure Development Project	Acquisition of Land by Government Open up boundaries of all Gulu University lands, at Nwoya, latoro, Purongo, Forest, Gulu Town, Main campus	341,911,068	91,490,245	100	40	0.95	Opened up boundaries of university lands, at Nwoya, Latoro, and Purongo. The forest land was under dispute with the neighboring primary school.
	Government Buildings and Administrative Infrastructure	90,000,000	50,000,000	100	30	0.14	Replaced curtains of the Administration Block, however the procurement process for tilling of the main administration building had not yet been completed.
	Roads, Streets and Highways	431,487,051	20,038,031	100	10	1.20	Completed 0.7km of Internal road works at Main Campus.
	Construction and rehabilitation of learning facilities (Universities)	330,000,000	165,000,000	100	40	0.74	Completed construction and technical handover of one new library, one multifunctional Bio-Science Laboratory with AfDB-HEST Project Funding.
	Lecture Room construction and rehabilitation (Universities) Start foundation phase construction	108,000,000	60,000,000	100	10	0.05	Bills of quantities and building plan completed, however procurement process for civil works had not been completed.

Sub prog/Project	Out put	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target (%)	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	of a Business Center in Faculty of Business and Dev't Studies						
	Campus based construction and rehabilitation (walkways, plumbing, other)	45,000,000	25,000,000	100	25	0.06	Walkways were partially done (25%), plumbing works done and electrical wiring done.
Institutional Support to Gulu University - Retooling	Purchase of Motor Vehicles and Other Transport Equipment	450,000,000	333,142,661	100	25.00	0.42	Completed payment of Ug shs 252,000,000 for a van procured in the previous FY.
	Purchase of Office and ICT Equipment, including Software	103,957,219	110,000,190	100	30.00	0.08	Procured IT equipment for the Academic Registrar to implement the AMIS program.
	Purchase of Specialized Machinery & Equipment	207,000,000	115,000,000	100	30.00	0.31	Paid outstanding balance on the heavy duty Generator (200KVA) procured for the Faculty of Medicine during FY 2017/18.
	Purchase of Office and Residential Furniture and Fittings	72,048,043	0	0	0	0	Procured 850 lecture chairs.
	Construction and rehabilitation of learning facilities (Universities)	504,000,000	374,500,000	100	10.00	0.19	Initiated the procurement process for the furnishing of laboratories at Faculties of Science, Agriculture and Medicine.
Programme Performance (Outputs)						**89.41**	**Good performance**

Source: Author's Compilation

Implementation Challenges

i) **Inadequate funding** for non-wage recurrent which affected implementation of planned activities. For instance, student welfare remained inadequate given the standard of living and the NSSF employers' contribution which is taken off the non-wage further reduced the available funds for planned activities.

ii) **Inadequate staff:** The University has been operating at 47% staffing which is below the expected standard by National Council for Higher Education.

Recommendation

The MFPED should re-consider the MTEF allocations for capital development if universities are to have meaningful capital development.

Conclusion

The overall performance of the vote was good at 89.41% although the recurrent sub-programme had better performance as compared to the development sub-programmes. With the level of performance exhibited at half year, the vote will achieve its planned outputs for the FY.

7) Lira University (Vote 301)

The vote's mission statement is to provide access to quality higher education and conduct professional training for the delivery of appropriate health services directed towards sustainable healthy community and environment. The vote has one programme - Delivery of Tertiary Education and Research.

Delivery of Tertiary Education and Research Programme

The programme objectives are to; be the standard of excellence and innovation for societal transformation; ii) be a leader in integrating scholarship and practice; iii) serve societal needs and to foster social and economic development; iv) create a conducive teaching and learning environment for nurturing students at the University; v) enhance production of hands-on skilled graduates, knowledge transformation and utilization of research and innovations; vi) enhance access opportunities and meet the Higher Education requirements at national and international levels; vi) provide a framework for public, private sector interface through Public Private Partnership in the promotion of science and education as a business and promoting the development of a knowledge-based economy for a Health community and environment.

The programme has three sub-programmes; Headquarters, Support to Lira Infrastructure Development Project, and Institutional Support to Lira University – Retooling. All the sub-programmes were monitored to assess the level of implementation. Findings are below.

a) Headquarters Sub-programme

The approved budget for FY 2018/19 is Ug shs 12.148bn, of which Ug shs 8.074bn (61%) was released and Ug shs 3.65bn (51%) expended by 31st December 2018.

Performance

Good performance was noted for the sub-programme. A total of 686 students were admitted during academic year 2018/19 and the university participated in the development of the draft strategic plan for Gulu University Constituent College in Moroto District. Under Research, Consultancy and Publications; three staff were trained, two in bibliometrics, web metrics, data analysis and scholarly writing and one in electronic resources and reference tools.

Eight community outreaches were conducted, medical uniforms and protective gears for staff and students procured, living out allowance for 300 Government sponsored students paid, and subscription to the Dean of students paid. *Summary of performance is indicated in table 6.14.*

b) Support to Lira University Infrastructure Development Project (1414)

The project started on 1st July 2016 and its expected completion date is 30th June 2021. The project is aimed at creating a conducive teaching and learning environment for nurturing students at the University. The approved FY 2018/19 is Ug shs 1.57bn, of which Ug shs 1.413bn (90%) was released and all was expended by 31st December 2018.

Performance

In FY 2018/19, the University's plan is to construct phase II of the administration block and faculty of education block. By the end of December 2018, construction of phase II of the administration block had not started. The University was still at phase I of construction due to administrative reviews that took over six months. The muti-year project cost is Ug shs 16.7bn and is expected to be completed in three years.

Civil works for phase I were handed over in October 2018 to M/s BMK (U) Limited at a cost of Ug shs 1,413,750,000 and works were at foundation level.

The contract for civil works for the construction of the Faculty of Education block was awarded to M/s Bygone Enterprises at a sum of Ug shs 3.6bn and M/s Engpro International (U) Limited at Ug shs 1.499bn for supervision. Works started on 6th February 2018 and the expected completion date was 26th February 2019, however due to variations in design, it is hoped that the project will be extended. Physical progress was about 30% and casting the first floor slab was ongoing. *Refer to summary of performance in table 6.14.*

c) Institutional Support to Lira University-Retooling Project

The Lira University Strategic Plan 2016/2017-2020/2021 was developed in the quest to provide excellent teaching and learning, promote research and knowledge transfer. The plan is cognizant of the need to improve the academic environment particularly the infrastructure with respect to teaching and learning facilities, such as lecture rooms, administration block for office space, laboratories, workshops, libraries and general physical plant.

The project start date was 1st July 2017 and completion date is 30th June 2022. Within this period, Lira University aims at developing the physical environment as well as preserve historical land marks. The revised budget for FY 2018/19 is Ug shs 39,690,551, of which Ug shs 39,690,551(100%) was released and Ug shs 20,118,000 (51%) expended by 31st December 2018.

Performance

Good performance was noted for the sub-programme. The retainer fee for the bus was paid, procured a generator (30Kva) for the main library, and additional lecture room furniture for the executive Masters of Business Administration (50 chairs and 50 tables) was procured. *Summary of performance is indicated in table 6.14.*

Table 6.14: Performance of Delivery of Tertiary Education and Research Programme-Lira University by 31st December 2018

Sub-prog/Proj	Outputs	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	Teaching and Training	6,207,835,787	4,529,759,841	100	40	24.96	A total of 686 students were admitted in FY 2018/19. Meetings were held for the admissions board, timetable committee and the faculty board. Procured assorted medical supplies and uniforms.
	Research, Consultancy and Publications	412,646,998	251,900,249	100	35	1.74	Three staff were trained, two in bibliometrics, web metrics, data analysis and scholarly writing, and one in electronic resources and reference tools.
	Outreach	25,000,000	9,866,000	100	40	0.18	Eight community outreaches were conducted. Medical uniforms and protective gears for staff and students were procured.
	Student Welfare	476,705,593	218,009,643	100	50	3.50	Paid living out allowance for the 300 Government sponsored students and paid subscription to Uganda Dean of Students.
	Administration and Support Services	5,010,662,795	3,050,130,441	100	40	24.15	Paid salaries for 79 staff. Remitted the 10% employer's contribution to NSSF for existing staff for six months.
Support to Lira University Infrastructure Development	Government Buildings and Administrative Infrastructure Construction of Phase II of administration block and faculty of	1,500,000,000	1,413,750,000	100	20	2.33	The administration block was at foundation level. Civil works at the Faculty of Education was 30% (casting slab for the first floor).

Sub-prog/Proj	Outputs	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	education block						
Institutional Support to Lira University-Retooling	Purchase of motor vehicles and other transport equipment						Retainer fee for the bus was paid.
	Purchase of office and ICT equipment, including software						Procured a generator (30Kva) for the main library, however had not been delivered.
	Purchase of Office and Residential Furniture and Fittings						Procured additional lecture room furniture for the executive Masters of Business Administration.
Programme Performance (Outputs)						**56.86**	**Fair performance**

Source: Author's Compilation

Implementation Challenges

i) Inadequate non-wage recurrent grants to cater for living out allowances for Government sponsored students. The funding is based on the first cohort of 100 Government sponsored students initially admitted and yet the number has grown to 1,120 students in Academic year 2019.

ii) Approval of items under the wrong MTEF: Parliament approved an additional one billion for the construction of the main administration block (2018/19) under a wrong MTEF of non–wage instead of GoU development. This was not adjusted on the system by MFPED, and hence has jeopardized the budget execution.

iii) The university is understaffed, with a current staffing level of 43%.

Recommendation

i) The University should develop concepts on viable and fundable projects in order to generate additional resources to finance its investments and compliment the resources from Central Government.

Conclusion

The overall performance for the university was fair at 56.86%. Output performance varied across sub-programmes/projects, with the recurrent project doing better than the development projects.

8) Kabale University (Vote 307)

The programme objectives are; i) to promote quality, affordable and relevant university level education through teaching, learning, skills enhancement and development; ii) generate and disseminate knowledge through quality and relevant research, publications and other means of knowledge dissemination; and iii) to increase access to quality University Education and knowledge to the Great lakes region and beyond.

The programme outcome is increased competitive and employable graduates and the outcome indicators are; i) national, regional and global ranking, ii) rate of equitable enrolment and graduation at tertiary level, and rate of research, publication and innovations rolled out for implementation.

There are three sub-programmes that is; Headquarters; Support to Kabale Infrastructure Development and Institutional Support to Kabale University – Retooling which were all monitored to assess the level of implementation. Below are the findings.

a) Headquarters Sub-programme

The sub-programme's objectives are to; i) focus the university programmes on the mandate and core business of Kabale University, ii) harness and optimally exploit the opportunities within the catchment area (niche) for the growth and development of the university, iii) strengthen Kabale University capacity to deliver its mandate, and iv) encourage the public to make "special" contribution towards enhancement of KAB mandate.

The approved budget for FY2018/19 is Ug shs 17,145,286,689, of which 77% was released and 41% spent 31st December 2018. By half year, the vote had a supplementary of Ug shs 800,513,627 for development.

Performance

This sub-programme registered good performance as a number of planned outputs were achieved. Teaching and training, research consultancy and publications, outreach, students' welfare, and administration and support services were facilitated.

Under Teaching and Learning, 17 weeks of lectures under the 1st Semester for 2,878 students and four weeks of examinations were conducted. A total of 1,058 students graduated on 26th October 2018. Assorted laboratory consumables and equipment were procured for School of Medicine, Faculty of Engineering, Technology, Applied Design and Fine Art, and Faculty of Science. Assorted ICT accessories were purchased for all faculties, internet subscriptions paid.

Under Research, Consultancy and Publications a total of 12 publications were made, 7 research proposals were approved for funding, self-assessment and peer review for diploma in engineering conducted, 4 public lectures conducted, and a total of 4 workshops and seminars on academic growth, research and publications were conducted.

Under Outreach, field trip for 68 tourism students was conducted to 3 sites, a study trip for Geography students conducted in Kisoro District, a study trip for 17 Environmental Health Science students conducted.

For Students' Welfare, 295 students were paid living out and faculty allowances, 1,200 students were counseled on health including HIV/AIDS, academic, environmental and behavioral issues.

Under Administration and Support Services, staff salaries for July-December were paid and statutory deductions made. Gratuity for 56 staff was paid, 29 part time staff were paid, two and three staff members were supported to undertake their Master and PhDs programmes respectively.

Additionally three council meetings were conducted, five appointments board meetings held, two finance, and planning and resource mobilization committee meetings conducted. One senate meeting, 10 Dean's committee meetings, one admissions committee meeting and two ceremonies committee meetings were held. A total of 37 top management meetings, three finance, four contracts committee and two staff development committee meetings were held. All reports were compiled. *Refer to table 6.15 for summary performance.*

b) Support to Kabale Infrastructure Development

The project's start date was 1st July, 2016 and its expected end date is 30th June, 2021. The intended objective is to develop facilities and infrastructure that meets students and staff needs. The expected outputs are; phase II works on general lecture hall block, Phase II of engineering workshops, completion of a waterborne toilet and a VIP pit latrine. The approved budget for FY 2018/19 is Ug shs 968,749,223, of which Ug shs 631,111,723 (65%) was released and Ug shs 237,622,199 (38%) expended by 31st December 2018.

Performance

Good performance was noted with a number of works completed, while others were ongoing. Construction of the General Lecture Hall was completed. Renovation of the Biology and the chemistry and Physics laboratories were ongoing. The renovation works of the Science Lecture Block was at procurement level. *For summary performance refer to table 6.15.*

L-R: The biology laboratory under renovation: The General lecture block at Kabale University

c) Institutional Support to Kabale University – Retooling

The University attained public status on 16th July 2015 without necessary furniture and fittings as well as laboratory equipment especially for courses of Engineering and Technology, Nursing and Medicine. The major objective of the sub-programme is to: provide adequate learning and demonstration tools to students, and ii) provide conducive environment to learners and staff. The approved budget for FY 2018/19 is Ug shs 431,764,404, of which Ug shs 431,764,404 (100%) was released and Ug shs 200,517,304(46%) expended by 31st December 2018.

Performance

A Toyota Land Cruiser and Toyota Hiace motor vehicles were purchased and delivered furniture and fittings, were procured and delivered. *For the summary performance refer to table 6.15.*

Table 6.15: Performance of the Delivery of Tertiary Education and Research Programme-Kabale University by 30th December 2018

Output Performance							
Sub prog./Project	**Output**	**Annual Budget (Ug shs)**	**Cum. Receipt**	**Annual Target (%)**	**Cum. Achieved Quantity (%)**	**Physical Performance Score**	**Remark**
Headquarters	Teaching and Training	11.599	8.482	9.00	6.00	57.45	Teaching was conducted and students examined for semester one. Finalists graduated.
	Research, Consultancy and Publications	0.089	0.045	5.00	2.00	0.39	Research proposals were funded, public workshops, lectures and seminars for the half year held.
	Outreach	0.096	0.048	6.00	2.00	0.35	Study trips for the semester were organized.
	Students' Welfare;	0.612	0.306	5.00	2.00	2.66	Students' welfare facilitated, living out allowances paid, and procurement of assorted activities made.
	Administration and Support Services	4.516	2.788	12.00	6.00	19.87	All staff salaries were paid, all meetings facilitated and held, and all progress reports submitted.
	Guild Services	0.055	0.028	4.00	2.00	0.30	100% of the guild funds were released and all guild activities were funded, and guild meetings conducted.
	Contributions to Research and International	0.037	0.018	3.00	2.00	0.20	Annual and membership fees to research and membership bodies paid.

Output Performance							
Sub prog./Project	**Output**	**Annual Budget (Ug shs)**	**Cum. Receipt**	**Annual Target (%)**	**Cum. Achieved Quantity (%)**	**Physical Performance Score**	**Remark**
	organizations						
Support to Kabale University Infrastructure Development	Construction and rehabilitation of learning facilities (Universities)	0.969	0.631	2.00	1.00	4.04	Construction of the General Lecture Hall was completed. Renovation of the Chemistry, Biology, and the Physics laboratories was ongoing. The renovation works of the Science Lecture Block was at procurement level.
Institutional Support to Kabale University - Retooling	Purchase of Motor Vehicles and other transport equipment	0.387	0.387	2.00	2.00	2.10	The Land Cruiser and Toyota Hiace were purchased and delivered.
	Purchase of Office and Residential Furniture and Fittings	0.045	0.045	1.00	1.00	0.24	Office furniture was purchased.
	Programme Performance(0utputs)					**87.61**	**Good performance**

Source: Author's Compilation, IFMS

Conclusion

The overall performance was good.

Challenges

i) The science laboratories were not sufficient and what is there is not well equipped.
ii) The university is not able to conduct a lot of research and consultancy work because most staff are Masters holders, and the University lacks PhD holders.
iii) The Students Loan Scheme does not support lecturers on studies yet if supported they could pay back.
iv) The university has low staffing levels to the extent that third year students for Faculties of Engineering and Medicine respectively have no staff to teach them. As a result of this, the University is largely depending on AIA to pay part time staff which is rather expensive.

Recommendation

The Government should provide funds for recruitment of staff to enable students get the requisite lecturers.

9) Soroti University (Vote 308)

The vote mission statement is to change the world by being a fountain of knowledge and innovation that supports sustainable development and transformation of the society. Which they aim to achieve through: Educating responsible, broad-minded persons to act as future visionaries in our society. Stimulating innovations that surpass traditional boundaries. Building an open community of students, scholars and others, for free exchange of ideas to impact the society at large. Delivering learning that is active, creative and continuous. The vote has one programme – Delivery of Tertiary Education and Research.

The programme objectives are to: (a) develop an innovative institutional and educational model for vocationalizing education and extension system so as to increase the productive and entrepreneurial capacity in students/youth and communities; (b) create programmes that combine lecture room activities with field work (service learning), projects and research and coordinate internships with business, government and Non-Governmental Organizations related to the national development; (c) promote appropriate skills training, technology and innovations for regional integration and development.

The programme has three sub-programmes; Headquarters, Support to Soroti University Infrastructure Development (Project 1419) and Institutional Support to Soroti University-Retooling Project (1461).

a) Headquarters

The approved budget for FY 2018/19 is Ug shs 6,185,172,963, of which Ug shs 3,092,586,482 (50%) was released and Ug shs 2,272,342,942 (73%) expended by 31st December, 2018.

Performance

Fair performance was noted under the university recurrent programme. Students did not enrol and therefore no teaching was done and students' welfare was not paid. Salaries, capacity building of staff and NSSF were paid. Council meetings, seminars were attended and vehicles were maintained, as well as the university campus. S*ummary of performance is in table 6.16.*

b) Support to Soroti University Infrastructure Development Project (1419)

The project started on 1st July 2016 with duration of five years ending 30th June 2021. Project objectives include; construct, equip and furnish all the necessary university infrastructure (roads, buildings, sports and leisure facilities), provide reliable utilities and services (water, electricity, internet, sewage), provide transport, logistics equipment and tools to facilitate learning and teaching, and provision of adequate security for people and property.

The expected output is a fully functional university with all the basic infrastructure and social amenities. The approved budget for FY 2017/18 was Ug shs 4,070,000,000, of which Ug shs 1,761,459,375 (45%) was released and Ug shs 594,299,824 (32%) was expended by 31st December, 2018

Performance

Performance of the sub-programme was poor. Construction of the water and sewage management system was still at the procurement stage; engineering designs were not complete and the Teche block was not rehabilitated. In addition, the fence was not complete due to land acquisition issues. Purchase of motor vehicles was still under the procurement process. Construction of the medical laboratory had stalled due to re-allocation of funds to pay for the construction of the Multi-purpose block. *Summary performance is in table 6.16.*

c) Institutional Support to Soroti University –Retooling Project (1461)

The project started on 1st July 2017 and its expected completion date is 30th June 2022. The main objectives are to; i) set the world class infrastructure, facilities and equipment supporting the University's strategic ambitions for learning, research and community engagement and ii) provide the highest quality technology-based services to support teaching, learning, research, creative activity, and the delivery of administrative services to the University community.

The approved budget for FY 2018/19 including the supplementary is Ug shs 5,048,447,894, of which Ug shs 1,457,087,500 (29%) was released and Ug shs 451,347,073 (32%) expended by 31st December, 2018.

Performance

The re-tooling sub-programme of the university performed poorly as all the planned outputs were still at the procurement stage. *Summary of performance is in table 6.16.*

Table 6.16: Performance of Soroti University by 31st December, 2018

Sub programme	Output	Annual Budget (Ug shs bn)	Cum. Receipt (Ug shs bn)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Headquarters	Teaching and training	2.03	1.02	100.00	67.00	12.50	Students were not enrolled; Salaries were paid to the 20 teaching staff, courses were developed, capacity building was done both internationally and nationally, paid NSSF, workshops and seminars were attended, no student course work was not done.
	Students Welfare	0.16	0.079	100.00	0.00	0.00	Living out allowance was not paid as students had not yet enrolled.
	Administration and support services	3.9	1.97	100.00	100.00	24.22	Salaries were paid for 67 administrative staff; NSSF paid, staff trained, improved staff welfare, staff were motivated; 11

Sub programme	Output	Annual Budget (Ug shs bn)	Cum. Receipt (Ug shs bn)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							vehicles maintained, campus was maintained.
	Guild Services	0.04	0.02	100.00	0.00	0.00	Not conducted as students had not yet enrolled.
	Contribution to research and international organisations	0.02	0.01	5.00	2.00	0.10	Paid subscription to library consortium, eLearning, Vice Chancellors Forum; and RUFORM. Other three subscriptions were not yet paid.
Support to Soroti University Infrastructure Development	Acquisition of land by government	0.4	0.2	100.00	10.00	0.49	The fence is not yet complete as there are land acquisition issues. Part of the university land was secured but another plot is pending disposal of a case. Discussions are ongoing for the lease of land in Serere DLG to agree on a fair lease price.
	Government buildings and administrative infrastructure:	1.61	0.92	100.00	32.50	5.65	Construction of water and sewage management system at procurement stage. The procurement process has been initiated for the construction of a security guard house and a solar security lighting system. The TECHE building is not yet constructed.
	Purchase of Motor Vehicle and other Transport Equipment	0.96	0.62	100.00	10.00	0.00	At the procurement stage.
	Roads, Streets and highways: 14.2km of road network routinely maintained	0.1	0.05	100.00	100.00	0.62	1.4km of roadwork was routinely maintained (weeding, opening up culverts, drainage opening, filling up potholes, slashing road side).

Sub programme	Output	Annual Budget (Ug shs bn)	Cum. Receipt (Ug shs bn)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Construction and rehabilitation of learning facilities:	1.96	0.59	100.00	0.00	0.00	The construction of the medical laboratory has stalled due to reallocation of funds to payment of outstanding commitments to Complant Engineering and Trade (U) Ltd, for the construction of the multipurpose teaching and laboratory blocks and payment for supply and installation of lifts in the multipurpose block.
Institutional Support to Soroti University-Retooling	Purchase of Motor Vehicle and other Transport Equipment	0.96	0.62	100.00	10.00	0.92	Procurement of coaster and 3 double cabin pickups ongoing.
	Purchase of ICT Equipment including software	1.85	0.35	100.00	10.00	6.37	Procurement ongoing for the purchase of ICT equipment and software.
	Purchase of specialised machinery	2.02	0.4	100.00	10.00	6.69	Assorted medical and engineering equipment at procurement stage.
	Purchase of office and residential Furniture and fittings	0.2	0.09	100.00	10.00	0.27	Assorted furniture for office, library and lecture theatres at procurement stage.
	Programme Performance (Outputs)					**57.84**	**Fair performance**

Source: Field Findings, IFMS

Implementation Challenges

i) Delay by user departments, especially the Estates Department, to initiate the procurement process. Most of the items to be procured are supposed to come from Estates.

ii) There is a court case as a result of land acquisition issues where the fencing of the university traverses.

Recommendations

i) The user departments should initiate the procurement process early.

ii) The university should expedite preparatory activities in to fully satisfy the requirements of National Council of Higher Education to be given a go ahead to start.

Conclusion

The overall performance of the vote as at half year was fair (57.84%). There was low absorption of funds by the university mainly due to delayed procurements. The university is not achieving on its core function of teaching and learning as NCHE has not yet cleared the university to enroll students.

10) Uganda Management Institute (UMI)

Uganda Management Institution core mission is to excel in developing practical and sustainable administration, leadership and management capacity. The vote has one programme - Delivery of Tertiary Education and Research.

Delivery of Tertiary Education and Research Programme

The programmes' main objectives are to: (i) enhance the quality, relevance and delivery of competence based education and training, (ii) generate and disseminate cutting edge knowledge on public administration, management and leadership, (iii) deliver practical and credible consulting services that address clients' management, administration and leadership challenges, (iv) attract, develop and retain high quality staff, (v)enhance the Institute's competitiveness and sustainability, (vi) strengthen the capacity of support functions to facilitate effective and efficient delivery of UMI services.

The programme has a total budget of Ug shs 37.407bn, of which Ug shs 30.130bn is AIA and Ug shs7.277bn is GoU. By 31st December, Ug shs 13.031bn (34%) was released, of which Ug shs 13.03bn (100%) expended.

a) Headquarters

The GoU budget for FY 2018/19 is Ug shs 5.777bn, of which Ug Shs 2.888bn (50%) was released and Ug shs 2.428bn (84%) expended by 31st December 2018.

Performance

Good performance was noted under the sub-programme with a number of planned activities being implemented. In particular, those funded by AIA achieved majority of their plans by half year. Under Teaching and Trainin – a total of 4,009 students out of an annual target of 5,560 were admitted, and 25 courses were run. The prospectus of short courses were delivered and they ran a number of newspaper adverts.

Under Research, Consultancy and Publications, the 15th issue of the UMI Journal was published, two research grants were awarded and they had held four research seminars and two public dialogues.

Under Human Resource Management Services, all staff were paid salaries and gratuity. Two staff – the security assistant and the logistics assistant were promoted to full officers. *Refer to summary performance in table 6.17.*

b) Support to UMI infrastructure Development

The overall objective of the project is to boost the performance through growth and development of the Institute. Additionally, to increase the participant enrolment rate and provide a conducive learning environment with a provision of adequate and modern facility to participants. The project had a start date of 1st July 2015 and an expected end date of 30th June 2020.

The approved budget for FY 2018/19 is Ug shs 1.500bn of which Ug shs 0.635bn (42%) was released and Ug shs 0.085bn (13%) expended by 31st December 2018.

Performance

The plans for the financial year include the rehabilitation of the hostel block, the completion of the new classroom/office block, and the establishment of the UMI satellite branches in Mbale, Mbarara and Gulu.

By half year, the new classroom/office block was partially commissioned (full commissioning to take place in March) and occupied. It was 95% complete as they were still finalizing the parking and furniture had not yet been delivered.

Rehabilitation of the hostel block was ongoing, works started in December 2018 and had an expected end date of December 2019. The satellite branches were at different stages. The one in Gulu was developed and was in its final stages of renovation. Land was bought for the one in Mbarara, and the architect was working on designs. The designs for the one in Mbale were completed and construction to start next financial year.

The office/classroom block completed at UMI

Table 6.17: Performance of Uganda Management Institution by 31st December 2018

	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark

Headquarters	Administration and Support Services	0.460	0.230	4.00	3.40	6.32	The process of getting ISO certified is 80% completed, the ISO Internal Quality Audit was conducted at the Institute and branches. Job evaluation was conducted, utilities and bills paid and several committee meetings were held.
	Human Resource Management	5.317	2.659	3.00	3.00	73.07	Staff salaries were paid, recruitment of new staff conducted and promotions issued.
Support to UMI infrastructure Development	Government Buildings and Administrative Infrastructure	1.500	0.635	3.00	1.00	16.24	The new classroom/office block was partially commissioned and occupied, awaiting furniture and the completion of the parking
	Programme Performance (Outputs)					**95.63**	**Very good performance**

Challenges

- **i)** Inadequate space: The institute cannot register 100% of participants due to lack of classroom space. This limits enrolment and revenue generation.
- **ii)** Delayed delivery of furniture under the HEST project. The Institute had to rent chairs in order to occupy the building during the defects liability period which has been costly and put a strain on their budget.
- **iii)** Lack of funds to provide salary increments to staff which is impacting morale and affecting retention of staff.

Conclusion

The overall performance of the vote at half year was very good (95.63%). The recurrent and the development sub-programmes both executed majority of their planned outputs by half year.

Overall conclusion for Universities

The overall performance of the eight public universities monitored was good. Six out of the eight public universities registered good performance while two universities registered fair performance. Mbarara University registered the best performance with 90% achievement of planned targets, while Soroti, Lira and Muni registered fair performance at 58%, 57% and 53%, respectively. Overall, the good performance was on account of the recurrent sub programme while the development and retooling sub-programmes largely performance fairly. The two Degree Awarding Institutions monitored (MUBS and UMI) registered good performance of 89% and 96%, respectively.

6.5 Transfers to Local Governments (Votes: 500-850)

The vote mission statement is to provide for, support, guide, coordinate, regulate and promote quality education and sports to all persons in Uganda integration and national development. The vote consists of 172 Local Governments (127 districts, 46 municipalities and Kampala Capital City Authority). These Votes take up the biggest proportion of the Education Sector budget. They comprise of Sector Conditional Grant (wage), Sector Conditional Grant (non-wage) and Sector Development Grant (formerly Consolidated Development grant and Secondary School Development/Transitional Development grant).

The approved budget for FY 2018/19 is Ug sh 1.637bn, of which Ug shs 0.799bn (49%) was released and expended by 31st December 2018. A total of 35 districts were monitored at half year and the total budget for these districts is Ug shs 0.497bn, of which Ug shs 0.242bn was released by 31st December 2018. Below are the findings.

a) Sector Conditional Grant (Wage)

The approved budget for the Sector Conditional Grant (wage) for FY 2018/19 is Ug shs 1,251,745,702,713, of which Ug shs 627,227,223,339 (50.1%) was released and expended by 31st December 2018. The budget for the 35 districts monitored was Ug shs 383,975,255,632 of which Ug shs 192,127,014,178 (50%) was released and expended by half year.

Performance

All districts monitored indicated that they had received funds for wage and all teachers and non-teaching staff received their salaries for the first six months of the year.

b) Sector Conditional Grant (Non-Wage)

The approved budget for the Sector Conditional Grant (Non-wage) is Ug shs 255,251,234,458 of which, Ug shs 114,863,055,506 (45%) was released and expended by half year. Of the 35 districts monitored, the total budget FY 2018/19 is Ug shs 76,337,233,910 of which Ug shs 34,351,755,259 (45%) was released and expended by half year.

Performance

All schools in the districts monitored received Universal Primary Education (UPE) and Universal Secondary Education (USE) capitation for terms two and three. In addition all districts received the Inspection grants together with DEO's monitoring grant and conducted their term II and term III inspection. The District Education Officers (DEOs) also conducted their monitoring. Some of the emerging issues from their monitoring and inspection included the following;

i. **High dropout rates:** There were persistent high dropout rates across districts, with more girls dropping out than boys. In some districts the girls' drop out rate was as high as 80% due early marriages, pregnancies and poor menstrual hygiene management in schools. Likewise, the completion rates are low in a number of districts. While in Kole District, the completion was at 50%, and in Apac District it was at 48%.
ii. **High pupil absenteeism in schools**: This is particulary common among the peasant communities. Children stay home to help in planting and harvesting especially between

March and April, July and August, and also on market days. They also miss school to handle domestic chores like cooking, babysitting and *boda boda* riding, while others escape from school.

iii. **Inadequate school infrastructure:** Despite all investment to improve school infrastructures in the country, the infrastructure remains inadequate across districts. There are also many structures in a state of disrepair. As a result of this, in Kitgum District the classroom: pupil ratio was 1:144; and latrine pupil ratio was 1:82, while in Bukedea District there were several schools that operated under trees like Auruku-Kanyanga P/S, Kacoc-New P/S; plus three other P.7 schools that have only two classrooms.
iv. **Low capacity of the school management committees:** Members of the SMCs across districts were reportedly not effectively carrying out their duties.
v. **Land wrangles:** These were common between foundation bodies and school management. Most of the schools were founded by religious bodies and land was given to these bodies without any form of agreement on transfer of ownership. Over years, relatives of the deceased owners and other opportunists have come up to claim ownership of land. This was noted in Oyam, Kole and Lira districts among others. In Iceme sub-county, six schools had been sued in court by Lira Diocese over land ownership.
vi. Underfunding of co-curricular activities, and no funding towards special needs and the Career Guidance and Counselling function.

c) Sector Development Grant (SFG and UgIFT)

The sub-programme comprises of the Consolidated Development grants, Transitional Development Grants and the Uganda Inter-Governmental Fiscal Transfer Program (UgIFT).

The Consolidated Development grants which are inclusive of School Facilities' Grant and Transitional Development are intended to finance capital development works of pre-primary, primary and fund adhoc investments including presidential pledges.

The Uganda Intergovernmental Fiscal Transfers Program for Results (UgIFT) supports the Intergovernmental Fiscal Transfer Reforms (IgFTR). It has a Program Development Objective (PDO) to improve the adequacy and equity of fiscal transfers. The programme is financed by GoU and IDA and being implemented in the sectors of Health and Education.

It will disburse USD200 million over a four-year period, of which USD130 million will be allocated for LG grants in the Education Sector, and USD 55 million in the Health Sector, and USD15 million for grant management, performance assessment, value for money, support and improvement.

In the Education and Sports Sector, the loan shall finance both Non-Wage Recurrent and Development components. The Non-Wage component will address the low unit cost of funding operations of the schools to improve learning outcomes. The Development Grant will fund investments such as construction and implementation of presidential pledges which were previously handled under the Transitional Development Grant.

The UgIFT will support the Health and Education Sector Development grants in 172 LGs votes (126 districts, 46 municipalities and KCCA) this FY 2018/19. The project cost FY 2018/19 is Ug shs 100bn.

In the FY 2018/19, the programme intends to construct seed schools in 242 sub-counties. Civil works for each of the seed schools is worth Ug shs 2bn for a contract period of two years. To procure contractors for the civil works, the programme adopted a hybrid procurement modality, under which MoES spearheads the procurement process in terms of advertisements and the LGs carry out the selection and evaluation of bids. Districts were batched in lots of five and at regional level, a lead LG was identified for purposes of streamlining procurement (oversee the bidding and evaluation processes). The lead LGs are; Mbale, Gulu, Lira, Mbarara and Wakiso; as shown in annex 6.1.

The approved budget for the Sector Development Grant for FY 2018/19 is Ug shs 130,249,949,847, of which Ug shs 86,833,299,898 (66.7%) was released by 31st December 2018. The budget for the 35 districts monitored was Ug shs 37,167,508,988, of which Ug shs 24,778,339,325 (66.7%) was released by half year.

Performance

i) School Facilities Grant (SFG)

Local Governments were at various stages of construction for the classrooms, latrines stances, teachers' houses and supply of furniture to primary schools. Of the 35 LGs monitored, three had completed construction of their planned facilities, 24 had civil works ongoing, three had awarded contracts but works not started, three districts were at procurement stage, while two had not procured contractors. Majority of districts expected to achieve their planned targets by the end of the FY.

L-R: Construction of a two classroom block at wall plate level at Aringodyang PS, Iceme S/C, Oyam District; A 3- classroom block completed at Katrini P/S in Arua District

ii) The Uganda Inter-governmental Fiscal Transfer Program (UgIFT)

By 31st December 2018, civil works had not started across the districts. Late initiation of the procurement process by the MoES delayed works. In some districts, advertisement of bids was ongoing, while in others evaluation of bids was about to start. All LGs were concerned that civil works were unlikely to start during the current financial year and funds may be swept back to the Consolidated Fund.

Table 6.18: Performance of Local Governments by 31st December, 2018

Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Sector Conditional Grant (Wage)	383,975,255,632	192,127,014,178	100	50	77.13	All funds for half year (50%) were received and all salaries paid.
Sector Conditional Grant (Non-Wage)	76,337,233,910	25,445,744,637	100	20	9.21	45% of fund was received, all capitation grants were transferred to the schools, and monitoring and inspection was conducted.
Sector Development grant (SFG and UgIFT)	37,167,508,988	24,778,339,325	100	20	2.24	While works were ongoing under SFG, no works had started under the UgIFT.
Programme Performance (Outputs)					**88.6**	**Good performance**

Source: Author's Compilation; IFMS

Conclusion

The programme registered good performance (88.6%) by half year. The overall good performance was largely on account of the Sector Conditional Grant (wage) and the Sector Conditional Grant (non-wage). There was mixed performance on development grant. While the SFG projects largely performed well, the UgIFT, which had the largest chunk of the money, delayed to start and was slightly behind schedule.

Implementation Challenges

i) The guidance on utilization of the UgIFT funds was not clear in some districts. Some districts councils (e.g Mubende) wanted to use part of the fund to fulfill Presidential Pledges, while in Lyantonde, the Chairman and Vice Chairman LC V hijacked and redistributed the UgIFT funds to normal SFG projects until much later when they reluctantly agreed to follow the IgIFT guidelines.

ii) In some districts there were disagreements over sites where the seed schools were to be constructed. In Kyenjojo District, while the district chose Logoola sub-county, the MoES chose Mparo Seed in Kyembogo sub-county.

iii) UgIFT funds on districts accounts are likely to be swept back to the Consolidated Fund at the close of the financial year due to delays in start of civil works across districts.

Recommendation

i) The MoES should expedite the procurement process for the UgIFT project, and quickly conclude the post evaluation reviews to ensure that contracts are awarded and works commence. Relatedly funds that will be swept back by the system should be returned to the implementing districts to ensure that works are not disrupted.

6.6 Best Practices in Service Delivery

In the execution of its mandate, the Education and Sports sector faces a number of challenges which include; dilapidated and deteriorating infrastructure, reduction in unit costs of grants, inadequate scholastic materials, pedagogical requirements and limited school inspection. With the current allocations to the sector, effective delivery of the education and sports services still remain a challenge.

Amidst all the challenges, Education Managers in different Institutions and LGs have come up with innovative ways in terms of best practices to enable them deliver the service. Some of the innovations address issues of inadequate classroom space, inadequate staff house, inspection and school feeding among others. Below are the findings.

Provision of classroom space and teachers' houses

Districts continue to face the problem of inadequate class space. A few districts decided to address this problem on a self-help basis where communities are mobilized to construct classroom facilities and the district provides iron sheets. In Mubende for example, the LG in FY 2018/19 provided iron sheets to different primary schools constructed by the communities; 60 iron sheets for a staff house at Kiwumulo P/S, 100 iron sheets to Don Bosco P/S, 120 iron sheets to Senkulu P/S, and 100 iron sheets to Kawodisa P/S. In Moyo District, the community constructed a low cost housing unit for teachers at Toloro P/S and Obong P/S.

Partnerships with development partners; LGs have collaborated with development partners to construct facilities in schools. In Buikwe District for example, World Vision had constructed six schools in two sub-counties of Ngogwe and Buikwe, while ACEIDA from Iceland had constructed a total of 28 primary schools and four secondary schools in sub-counties of Najja, Nyenga, Ssi and Ngogwe. Opportunity Uganda constructed six primary schools with staff houses in the sub-counties of Buikwe, Ssi and Nkokonjeru.

Joint School Inspections

Local Governments have continued to come up with innovative ways of conducting school inspections. For example the LGs comprising the former greater Masaka (i.e. Masaka, Kalungu, Bukomansimbi, Lwengo, Lyantonde, Kyotera, Rakai and Kalangala) conduct joint school inspections. All Inspectors of Schools in these districts draw a program where they all conduct a joint inspection in one agreed district using one tool and covering all schools before moving to another district. In doing this, they mobilise all resources available to them including all vehicles and motorcycles. Using this method, all schools in many of these districts are covered in one or two days.

On the other hand in distircts of Kole District, Kaliro, and Kyenjojo, all the technical officers from other departments are mobilized to participate in monitoring and inspection of schools and vice versa. In this way everyone in the district knows about all the other sectors as everyone participates in monitoring all departments.

Cluster supervision was noted in Lwengo District, whereby head teachers in a particular parish form a cluster of three or four schools and do peer support supervision in their cluster, and are encouraged to learn from each other for improvement of the education service.

Introduction of support supervision forms; for example in Kyankwanzi District, the inspectors go to classrooms to support teachers to improve their teaching/learning methods and environment. The forms have names of teachers, class, learners, subjects, areas of strength and weakness for the teacher and then advice teachers accordingly. The CCTs and DIS follow up on the areas of improvement for particular teachers. The DIS receives these forms on a monthly basis.

Parent-led school feeding

Through continuous sensitization of the communities by the LGs, pupils in some of the schools get meals at school and this has improved pupil attendance. In Apac and Gulu districts parents contribute food items that are prepared at school for their children’s midday meals. All schools in Lyantonde District were providing some kind of meal for pupils for lunch. Some parents contribute maize floor and the school prepares meals at school.

Revival of school gardens as seen in Kole district, the school gardens were being promoted to ensure food supply in schools.

Academic Improvement

Districts have come up with strategies to improve performance. In Lyantonde District, using subject experts and examiners the education department organizes workshops by subject at sub-county level or at district level where all teachers are skilled in a particular subject. They hold one or two workshops on a termly basis. In Iganga District, the upper classes in all the schools conduct uniform exams and joint mock exams as a way of following up on the curriculum.

The scheming policy as applied in Kiruhura District helped improve performance. In the last week of the term, all teachers draw up the schemes of work for the subsequent term which is handed over to the Director of Studies.

Creation of Associations

The Local Governments have opened up SACCOs and other associations to help teachers interact, meet and get help when needed. The SACCOs for instance have helped in the reduction of multiple loans and reduced teacher absenteeism. In Mbale District, the teachers' SACCO has over 600 active members who get loans instead of the money lenders and the banks.

The Mbale Teachers' Anti-AIDS Group has encouraged teachers living positively to carry out their duties without segregation. The association works hand in hand with the DEO to ensure that these teachers are posted in schools that are convenient for them to access all the help needed. In conjuction with the AIDS Support Organization (TASO), AIDS Information Center, workshops and trainings are conducted for the teachers, and help the teachers get projects to supplement their incomes such as poultry.

Tracking Teachers' Attendance

The initiative has helped improve the teacher attendance rates. In Bugiri District, teachers' attendance is noted and at the end of the month, a shame list is pinned at notice boards to indicate the defaulters. In Lwengo District, all head teachers are required to send teachers' monthly attendance lists to the Education department where they are analyzed and reports made for the CAO's action. Funds are deducted for days not worked. This has improved teachers' attendance in schools.

Data Collection and Management

Districts face a lot of challenges in collection and management of data in the education sector. With creation of new districts, the problem has worsened. In order to address the issue of data collection and management, Wakiso District Education department came up with data capturing tools to ease the process i.e. Form A and Form B.

Form A: This form captures information about all schools district wide including government aided and private schools - primary, nursery, secondary and tertiary institutions. The information provided in form A, aids monitoring of the schools especially in the hard-to-reach areas. This form is filled annually and Wakiso in particular started implementing the use of this form in 2018.

Form B: This form is used to capture information on teachers in government aided schools i.e primary, secondary and tertiary institutions. The form also captures both teachers on the government payroll and those who were appointed but had not yet accessed the government payroll due to various reasons like the lack of supplier numbers.

Form B is filled monthly and this helps the department in verification of the payroll monthly as teachers who abscond form duty, those who pass on, those who transfer to other districts are easily netted and put off the payroll in time. This form also helps the Human Resource Officer and the Education Officers to establish which schools lack deputy head teachers, head teachers and those with few teachers for future action.

Form B also provides information on all teachers for easy communication as teachers submit their contacts, emails, as well as contacts for their next of kins which are used in case the teachers are not available at their workstations, for example during long term holidays when some teachers go to villages.

Form B is tallied with the pay roll monthly as the teachers bring both the soft copy on a CD as well as hard copies in hand written format of sheet 1 of form B and it is the hand written copies that are used for verification of the payroll as the individual teacher fills in his/her own information and appends his or her signature to show that the teacher in that particular school and has received salary for that month.

Using information in sheet 2 of form B, the department is in the process of developing a system where the teachers' information including their photos will be inserted for easy management - easy generation of automated reports, and making analysis among others.

The DEO is also developing another form to be used to capture all data on pupils and students at the different levels. Each pupil/student will have an identifying number with their photos attached, that will be used to follow them up even when they change schools all through their levels of schooling.

6.7 Overall Sector Performance

The overall education sector performance as at half year was 79.4% as shown in table 6.19. In terms of financial performance, the sector registered a good performance as 52% of the budget was released and, of that, 90% was expended by half year. In general, the recurrent budgets performed better than the development budgets.

With regards to Output performance, performance varied across the votes. The best performing votes were National Curriculum Development Centre at 100%, Uganda Management Institute and Mbarara University which, 96% and 91% respectively. Some of the votes that had good performance included, but are not limited to, Gulu University (89%), Makerere University Business School (89%), Local Governments (88%), Kyambogo University (87%) and Kabale University (86%). The worst performing votes were Ministry of Education and Sports (59%), Soroti University (57%) and Muni University (53%), which all had fair performance.

The sector's interventions by half year continued to contribute to overall sector objective of providing, supporting, guiding, coordinating, regulating and promoting quality education and sports to all persons in Uganda. A number of achievements were registered and these include: infrastructure development, provision of instructional materials, capacity building of teachers and curriculum development.

The sector has, however, also registered a number of challenges in the implementation of planned interventions and ultimately this has negatively affected service delivery. These include: i) delayed procurement affecting commencement and continuation of civils works ii) poor planning as many project became effective before the necessary preparatory activities were undertaken, iii) loss of donor funds: iv) low staffing levels and unrealistic staff ceilings across the sector.

Table 6.19: Overall semi-annual performance of the Education and Sports Sector

	Vote	% Performance
1.	Ministry of Education and Sports (MoES)	59.2
2.	Busitema University	78.31
3.	Muni University	53.34
4.	Mbarara University (MUST)	90.71
5.	Makerere University Business School (MUBS)	89.13
6.	Kyambogo University	86.09
7.	Gulu University	89.41
8.	Lira University	56.86
9.	Kabale University	87.61
10.	Soroti University	57.84
11.	Uganda Management Institution (UMI)	95.63
12	Local Government	88.6
13	National Curriculum Development Centre	100
	Total	**79.4**

Source: Authors' Compilation

Recommendations

1. The MoES should expedite the procurement process for the UgIFT project, and quickly conclude the post evaluation reviews to ensure that contracts are awarded and works commence. Relatedly funds that will be swept back by the system should be returned to the implementing districts to ensure that works are not disrupted.

2. The MoES and all project implementers should undertake adequate project planning and preparations (for both donor and GoU funded projects) well in advance of the project effectiveness and start dates.

3. The Ministry of Public Service and MoES should revise the existing staff ceilings in order to allow recruitment of teachers in primary and secondary schools.

CHAPTER 7: ENERGY

7.1 Introduction

Sector outcomes

The Energy and Minerals Sector contributes to the second objective of the National Development Plan II (NDP II): to Increase the stock and quality of strategic infrastructure to accelerate the country's competitiveness.[27] The contribution of the sector to the NDP II objective is done through the pursuance of the sector outcomes. These are,[28]

a) Increased access to affordable and efficient sources of energy

b) Sustainable management of minerals resources for development

c) Sustainable management of the country's oil and gas resources

Sector priorities

In the medium term 2015/16 -2019/20, the sector continues to focus on the key priority areas; these are:[29]

- Increase electricity generation capacity and expansion of the transmission and distribution networks
- Increase access to modern energy services through rural electrification and renewable energy development
- Promote and monitor petroleum exploration and development in order to achieve local production
- Develop petroleum refining, pipeline transportation, and bulk storage infrastructure
- Streamline petroleum supply and distribution
- Promote and regulate mineral exploration, development, production and value addition
- Inspect and regulate exploration and mining operations
- Promotion of efficient utilization of energy, and
- Monitoring geotectonic disturbances and radioactive emissions

[27] National Planning Authority -Second National Development Plan (NDPII) 2015/16 – 2019/20 :101

[28] MFPED, National Budget Framework Paper FY2018/19(Kampala 2018)

Scope

The chapter presents the annual financial and physical performance of selected energy and minerals sub-programmes in FY 2018/19 selected basing on:

- Large budget allocations
- Projects previously monitored but having major implementation issues
- Regional geographical representativeness
- Projects with objectively verifiable outputs on ground

The monitoring focused on 12 projects implemented by MEMD and 3 project by REA. New projects where procurement of contractors and consultants was ongoing were not monitored. Annex 7.1 shows the monitored projects and the respective locations visited.

7.1.1 Overall Sector Performance

Financial Performance

The approved sector budget totaled to Ug shs 2,485.198 billion (Ministry of Energy and Mineral Development (MEMD)-Ug shs 1,756.7 billion, Rural Electrification Agency (REA)-Ug shs 683.164 billion, Uganda National Oil Company (UNOC)-Ug shs 15.2 billion, Petroleum Authority of Uganda (PAU)-Ug shs 30 billion).

The sector release performance was good with 59.9% of the total sector budget released by half year. However, the sector expenditure was very low by half year with only 37.9% of the budget spent by the end of Q2 of the FY. Only UNOC (Vote 311) had good expenditure by half year because most of its funds are spent on staff salaries. A summary of financial performance for the votes in the sector is presented in Table 7.1.

Table 7.1: Energy and Minerals Sector Financial Performance by 31st December, 2018

Vote	Approved budget (Bn Ug shs)	Release (Bn Ug shs)	Expenditure (Bn Ug shs)	% Budget released	% Budget spent
MEMD-017	1,756.46	1,083.00	792.749	61.7	45.1
REA-123	683.538	381.27	131.443	55.8	19.2
UNOC-311	15.2	8.516	8.516	56.0	56.0
PAU-312	30	14.786	9.888	49.3	33.0
Total	**2,485.198**	**1,487.572**	**942.596**	**59.9**	**37.9**

Source: Approved Budget Estimates FY 2018/19

7.1.2 Physical Performance

The overall sector physical performance was fair at 65.8% as noted in Table 3.2. Under Vote 017, there was good performance from the Large Hydro Power Programme where the works on the two large dams was progressing well, and target was completion by the end of 2019. The other programmes under the vote all performed fairly. Under Vote 123, the rural electrification performance was good with the number of connections to date of 143,461 compared to the target of 120,457.

Table 7.2: Energy Sector Overall Performance per Programme by 31st December, 2018

	Programme	Overall performance (%)
1	Large Hydro Infrastructure	70.5
2	Energy planning, Management and Infrastructure Development	63.0
3	Petroleum Exploration, Development , Production, Value Addition and Distribution of Petroleum Products	68.5
4	Mineral Exploration, Development and Value Addition	66.5
5	Rural Electrification	74.2
	Overall average sector performance	**68.5**

7.2 Vote 017: Ministry of Energy and Mineral Development

The mandate of the Ministry of Energy and Mineral Development is to "*Establish, promote the development, strategically manage and safeguard the rational and sustainable exploitation and utilization of energy and mineral resources for social and economic development*"

The Ministry of Energy and Mineral Development (MEMD) comprises of six programmes, of which five were monitored. These include: Energy Planning, Management and Infrastructure Development; Large Power Infrastructure; Mineral Exploration Development and Production; Petroleum Exploration, Development and Production; Petroleum Supply, Infrastructure and Regulation.

MEMD Financial Performance

Overall vote release performance was very good at 61.6% by the end of quarter 2 of FY 2018/19. The GoU release was 67.6% and externally funded release stood at 59.8%. The overall expenditure was good with 73.2% of the released funds spent by the end of quarter 2. (Details in Table 7.3).

Table 7.3: MEMD Financial Performance by 31st December, 2018

		Approved Budget	Cash limits by End Q2	Released by End Q2	Spent by End Q2	% Budget Released	% Budget Spent	% Releases Spent
Recurrent	Wage	6.225	3.112	3.112	2.198	50.0	35.3	70.6
	Non-Wage	85.788	43.527	43.527	42.175	50.7	49.2	96.9

Devt.	GoU Ext. Fin.	325.227 1,339.221	235.371 800.750	235.371 800.750	207.335 541.041	72.4 59.8	63.8 40.4	88.1 67.6
	Ext. Fin	1339.221	800.750	800.750	541.041	59.8	40.4	67.6
GoU Total Total GoU+Ext Fin (MTEF)		**417.240 1,756.460**	**282.011 1,082.761**	**282.011 1,082.761**	**251.708 792.749**	**67.6 61.6**	**60.3 45.1**	**89.3 73.2**
Total GoU+Ext Fin (MTEF)		**1,756.460**	**1,082.761**	**1,082.761**	**792.749**	**61.6**	**45.1**	**73.2**
Arrears		0.242	0.242	0.242	0.000	100.0	0.0	0.0
Total Budget		**1,756.702**	**1,083.003**	**1,083.003**	**792.749**	**61.6**	**45.1**	**73.2**
A.I.A Total		0.000	0.000	0.000	0.000	0.0	0.0	0.0
Grand Total		**1,756.702**	**1,083.003**	**1,083.003**	**792.749**	**61.6**	**45.1**	**73.2**
Total Vote Budget Excluding Arrears		**1,756.460**	**1,082.761**	**1,082.761**	**792.749**	**61.6**	**45.1**	**73.2**

Source: MEMD Performance Report Q2 FY2018/19

MEMD Physical Performance

7.2.1 Energy Planning, Management and Infrastructure Development Programme

The programme is responsible for promoting; increased investment in power generation, renewable energy development, rural electrification, improved energy access, energy efficient technologies, and private sector participation in the energy sector. The programme took up 36.5 % of the vote sector budget for FY2018/19. The programme contributes to the first sector outcome of *''increased access to affordable and efficient sources of energy''*.

The sector outcome indicators are:

i. The percentage of losses in the distribution network

ii. Generation capacity of plants in MW under construction added to the grid

iii. Percentage of the population with access to electricity

Under this programme various power transmission line projects with their associated sub-stations are under implementation in various parts of the country in line with the country's plans to increase electricity generation, transmission capacity and energy access. The GoU and Development Partners (World Bank, AfDB, AFD, JICA, KfW, China EXIM Bank) are jointly funding projects in this sector.

7.2.1.1 Sub-Programme 1212: Electricity Sector Development Project (ESDP)

Background

The project is financed by a loan amounting to Special Drawing Rights (SDR) 63.374 million from the World Bank through the International Development Association (IDA). The Government of Uganda funded the resettlement action plan for the project. The project development objective is to improve the reliability of, and increase the access to electricity supply in the southwest region of Uganda. It is implemented by the MEMD and Uganda Electricity Transmission Company Limited (UETCL). The main component of this project is the construction of the 220kV Kawanda-Masaka Transmission line and its associated substations.

Sub-Programme Performance

Financial performance

The project budget for FY 2018/19 is Ug shs 62.297billion, of which Ug shs 23.099 billion was Government counterpart funding, and the rest of the budget was funded through the loan. The GoU release by end of Q2 was Ug shs 23.028 billion.

Physical performance

Overall physical performance of this project was good. All the major components under this project have been completed namely:

i. Kawanda-Masaka transmission line: Transmission was completed and is currently under defects liability monitoring.

ii. 220kV substations at Kawanda and Masaka: Substations were completed and commissioned and currently under defects liability monitoring.

iii. Feasibility study for the Lira-Gulu-Nebbi-Arua transmission line: The study was completed and approved by the World Bank. Tendering for works on the transmission line is currently on-going.

iv. Construction of street lighting in Masaka Municipality: The street lighting was completed and project handed over to the Masaka Municipality for operation.

v. Grid extensions in areas along Masaka-Kawanda Transmission line in areas of Masaka, Kalungu, Mpigi, Wakiso: Most of the works were completed in Masaka and Kalungu. Works in Mpigi and Wakiso were being finalized.

vi. 2 Line bays for the 220kV Kawanda-Masaka Transmission line at Bujagali substation: The overall works were at 62% completion. This component was behind schedule and will not be completed by the project end period.

Resettlement Action Plan

To date, 42 out of 45 houses had been completed and handed to the Physically Displaced Persons (PDPs). Construction of the remaining three houses was on-going. The status of the cash compensation for the project affected persons is given in Table 7.4.

Table 7.4: Status of Cash Compensations for the Project Affected Persons by 31st December, 2018

	July-Sept 2018		Oct-Dec 2018	
	Total Number	**(%)**	**Total Number**	**(%)**
Total Transactions	2,638	100	2,638	100
Number disclosed to	2,484	94	2,486	94
Agreement	2,460	93	2,464	93
Number of Households paid	2,345	89	2,360	89
Compensation disputes	24	1	23	1

Source: UETCL; Field Findings

L-R: Completed grid extension schemes in Kaduggala-Kalungu District, Completed Control room at the newly constructed 220 kV Masaka substation

Challenges

The project closed on 31st January 2019, but there were unresolved RAP cases which UETCL was still handling. The pending RAP cases were in the following categories: Deceased PAPs (55), Reassessment (40), Incomplete Title ownership (76), Ready for Disclosure (10), awaiting funds request (21), referred to legal section for advice (7), and incomplete in-kind house (3).

Recommendation

The UETCL should ensure that they completely resolve the pending RAP cases since the Ministry of Finance, Planning and Economic Development released the required funds for completion of the activity.

7.2.1.2 Sub-Programme 1025: Karuma Interconnection Project

Background

The project is funded by jointly by GoU and a loan from Export and Import (EXIM) Bank of China. The total funding for this project is $289,905,937 with EXIM Bank loan contribution of $246,419,437 and GoU's contribution $43,486,500.

The objective of the project is to evacuate power produced from Karuma Hydropower Plant in Northern Uganda to load centres, which include Lira and Olwiyo in Northern Uganda, and Kawanda in Central Uganda. The project consists of the following components:

a) Construction of 400kV and 132kV Transmission lines

- Construction of 248km, 400kV, Double Circuit Karuma-Kawanda transmission line.
- Construction of 78km, 132kV, Double Circuit Karuma-Lira Transmission Line.
- Construction of 55km, 400kV, Double Circuit Karuma-Olwiyo transmission Line, which will be initially operated at 132kV.

b) Sub-stations

- Karuma substation: a new green field 400/132kV substation interconnecting with Karuma HPP and 400kV line bays.
- Kawanda substation: a new 400kV/220kV substation with two (2) new incoming 400kV line bays to interface with the existing Kawanda 220/132kV substation.
- Lira substation: two (2) new incoming 132kV line bays to interface with the existing Lira 132/33kV substation.
- Olwiyo substation: a new green field 132/33kV substation.

Sub-Programme Performance

Financial performance

The total budget for this project in FY 201/19 is Ug shs 29.290billion GoU contribution for RAP implementation. The rest of the funding for the EPC works under the project is budgeted under Karuma hydropower project. 100% of the budgeted GoU funds for RAP were released to UETCL to continue with the compensation of the PAPs.

Physical performance

The sub-programme performance was good. The project progress improved and the contractor mobilized equipment to work on all the substations where work had not yet started by end of FY 2017/18.

Karuma-Kawanda transmission line: Overall progress was at 75% progress with 496 of the planned 638 towers completed. Civil works on other foundations was on-going with so far 548 out of the 638 foundations completed. Right of Way issues affected 50 completed foundations preventing erection of towers at these locations.

Karuma-Lira transmission line: 155 out of the 246 planned foundations were completed and erection of 109 out of the 156 foundations was completed.

Karuma-Olwiyo transmission line: Works were behind schedule and only 2 foundations were completed by January 2019.

Substations: Overall works at Lira, Karuma and Kawanda switchyards were at 44%, 49.4% and 46.3% respectively. Works at Olwiyo had not begun since the review of designs was being finalized.

Resettlement Action Plan (RAP)

There was an improvement in the compensation progress. UETCL had so far received Ug shs 39.65 billion during the first half of FY 2018/19. A total of 50 resettlement houses will be constructed and so far 44 sites were acquired for this activity. By 31st December 2018, 22 houses were completed. The status of RAP implementation is summarized in Table 7.5.

Table 7.5: Status of RAP for Karuma Interconnection as at 31st December, 2018

	KARUMA-LIRA(132kv; 78kms) KARUMA-OLWIYO (400kv; 55kms; 60mwidth)		KAWANDA-KARUMA LINE (400kv; 248km; 60m Width)	
	Total Number	**%**	**Total Number**	**%**
Total Transactions	1,252	100	3124	100
Number Disclosed to	1,124	90	2650	85
Agreements	1,060	85	253	81
Number of Households Paid	873	70	2280	73
Compensation disputes	64	5	111	7

Source: UETCL; Field findings

Challenges

- The progress of RAP implementation on the project improved but was still behind schedule.
- Project works were delayed by RoW issues and over 50 completed foundation locations cannot be accessed for towers to be erected.
- Vandalism of some towers on the project led to delays and increased project cost.

Recommendation

- The project received a better budget funding allocation and releases this FY, therefore UETCL should deploy more manpower resources to quicken the progress of RAP implementation.

L-R: Completed foundation works at Karuma substation, Contractors undertaking tower erection works on the Kawanda-Karuma T-Line

3.2.1.3 Sub-Programme 1137: Mbarara-Nkenda/Tororo-Lira Transmission line

Background

The Government of Uganda (GoU) received funding from African Development Bank towards the implementation of Mbarara-Nkenda & Tororo-Lira Transmission Lines Project. The project is aimed at expanding and strengthening the national transmission grid. This project will boost economic growth in western and eastern Uganda. The total loan amount for the project was Unit of Account (UA) 52.51 million and Ug shs 81.917 billion as GoU contribution for the RAP.

The objective of the project is to evacuate electricity from upcoming power plants and improve electricity access, lower transmission losses, increase power efficiency, reliability, stability and quality of supply to consumers in the country especially the western and north eastern regions.

The project consists of the following components:

a) Construction of 132kV Transmission lines
   - Construction of 260km, 132 kV, Double Circuit Tororo-Opuyo-Lira Transmission line
   - Construction of 160km, 132 kV, Double Circuit Mbarara-Nkenda Transmission Line

b) Substations
   - Construction of two 132kV bay extensions at Mbarara North and Nkenda substations.
   - Construction of a new 2x32/40MVA, 132/33kV Fort Portal Substation.
   - Extension of Opuyo substation including 132kV line bays
   - Construction of 132kV line bays at Tororo and Lira

c) Reactive Power Compensation
   - The installation of 15MVAR, 132kV Reactor at Opuyo Substation and 15MVAR, 132kV Reactor at Nkenda Substation.

Sub-Programme Performance

Financial Performance

The GoU counterpart amount budgeted for FY 2018/19 was Ug shs 10.65 billion, of which 100% was released. The loan disbursement stands at 84% but the loan expired on 31st August 2018, and there has not been a response from AfDB.

Physical performance

Overall performance was of this sub-programme was poor. However, there was a key milestone registered with the completion of Mbarara-Nkenda transmission line. On the Tororo-Opuyo-Lira transmission line, little progress was made in the construction works and the only notable achievement was the completion of works on the 13 truncated towers close to Soroti Flying School.

Resettlement Action plan

All the 50 resettlement houses for PAPs on the Tororo-Lira Transmission-Line were completed and handed over to their beneficiaries. A total of 47 resettlement houses on the Mbarara-Nkenda Transmission-line were completed and handed over, while the construction of 3 houses was being finalized. The summary of the cash payments to the PAPS is given in Table 7.6.

Table 7.6: Performance of Cash Compensations as at 31st December, 2018

	Tororo-lira		Mbarara-Nkenda	
Item	**Total Number**	**Percentage**	**Total Number**	**Percentage**
Total Number of Project Affected Households	4,701	100	1,816	100

Number Disclosed to	4,502	96	1,790	99
Agreements	4,339	92	1,757	97
Number of households paid	4,236	90	1,689	93
Compensation Disputes	163	4	33	2

Source: UETCL; Field Findings

Challenges

- The loan from the AfDB expired on 31st December 2018 and there has not been a response from the funder regarding renewal of funding. This has left the project with a big funding shortfall, yet the construction works were incomplete on the Opuyo-Lira transmission project.
- The project currently has no supervision consultants. The supervision and contract management by UETCL staff on this project was lacking and this would further delay project implementation.
- The RAP implementation process posed a big challenge to the successful implementation of the project. Very little progress was made on RAP during the past two years, and the UETCL RAP team was constrained by the low staff numbers.
- The project had unsettled claims from the contractor totaling up to USD 11 million due to interest on delayed invoices, idling charges due to RoW, and demurrage. Other extras incurred include mobilization and demobilization charges, and prolonged time extension.

Recommendations

- The MFPED should engage AfDB regarding the funding for this project so that the remaining works are completed.
- The UETCL should allocate more staff to this project especially from those projects which were successfully completed. The RAP team in particular should be reinforced and facilitated to do its work.
- The UETCL should be supported by the relevant government ministries (Ministry of Lands, Housing and Urban Development and Ministry of Justice and Constitutional Affairs) and various district leaders (MPs, RDCs, CAOs, district chairpersons, LCs) to engage the PAPs and resolve the impasse in RAP implementation.

7.2.1.4 Sub-Programme 1140: Bujagali-Tororo-Lessos/Mbarara-Mirama-Birembo Transmission Project

Background

The project is funded by the Nile Equatorial Lakes Subsidiary Action Plan Programme (NELSAP) with basket funding from the African Development Bank (AfDB) and Japan International Cooperation Agency (JICA). The principal loan from the AfDB was Unit of Account (UA) 7.59 million, and a supplementary loan of UA 5.84 million and a JICA loan of 5.406 billion Japanese Yen. The planned GoU counterpart funding for implementation of RAP was Ug shs 66.437 billion.

The objective of the project is to improve access to electricity in the Nile Basin Initiative (NBI) countries through increased cross border sharing of energy and power. The project comprises:

- Construction of 220kV double circuit transmission line from Bujagali via Tororo substation to the Uganda/Kenya border, over a distance of 131.25km.
- Construction of 220kV double circuit transmission line from Mbarara North substation in Uganda to the Rwanda border over a distance of 65.55km.
- Extension of a substation at Tororo
- New 220/132/33kV substations at Mbarara and Mirama.

Sub-Programme Performance

Financial performance

The project budgeted for GoU counterpart funding of Ug shs 2.5 billion for land acquisition, which was all released. The funding on the original loan from AfDB was exhausted and a supplementary loan of UA 5.84 million negotiated. The disbursement of the supplementary loan stands at 0.4%.

Physical performance

Overall performance of the project was poor. There was no work undertaken on the Bujagali-Tororo transmission line since a new contractor had not been procured to complete the works. The substation works in Tororo, Mirama and Bujagali had stalled after the contractor was terminated and a new contractor was yet to be procured. Procurement of a new contractor was being undertaken. UETCL is currently finalizing the remaining substation works at Mbarara substation using staff from the Operations and Maintenance (O&M) department.

Resettlement Action Plan

Little progress was registered in the RAP for the Mbarara-Mirama transmission line. The current status of the RAP process is summarized in table 7.7.

Table 7.7: Compensation of Tororo-Bujagali-Lessos Transmission Line as at 31st December, 2018

BUJAGALI-TORORO-LESSOS LINE	Apr-Jun 2018		Jul-Sep 2018		Oct-Dec 2018		Relative Movement	
	Total number	(%)	Total Number	%	Total Number	%	Total Number	(%)

No. of transactions	3147	100	3144	100	3145	100	1	0
Number Disclosed to	3091	98	3111	99	3111	99	20	1
Agreement	3041	97	3054	97	3054	97	13	1
Number of Payments	2969	94.3	3007	95.6	3025	96	38	1.3
Compensation Disputes	50	2	57	2	56	2	7	0

Source: UETCL and Field Findings

Challenges

- The JICA loan that was cancelled due to slow disbursement created a funding shortfall equivalent to USD 5 million which was not considered at the time of applying for the supplementary loan.
- The project had no contractors for Tororo and Mirama Hills substation works, and the Tororo-Bujagali transmission line after the contracts for the two contractors undertaking project works were terminated.
- The project was grappling with the issue of slow compensation due to disputes with PAPs, especially those that continue to reject the compensation rates offered by UETCL.

Recommendations

- The UETCL should resolve the contract issues for the remaining works. The procurement of new contractors should be handled as a high priority and discussions with AfDB and the NELSAP Secretariat should be finalized.
- The UETCL should allocate more staff to supervise this project especially from other successfully completed projects. The RAP team should be reinforced and better facilitated to do its work.
- The UETCL should be supported by other stakeholders especially MEMD, MFPED, MLHUD, local leaders and the Courts of Law to ensure that the compensation disputes on this project are resolved to prevent further delay.

7.2.1.5 Sub-Programme 1222: Electrification of Industrial Parks

The GoU established industrial parks in an effort to support industrial development in the country. The industrial parks that were identified need reliable power supply and thus the identified projects to electrify these parks. The project EPC works are funded by a loan from the EXIM Bank of China (85%) and GoU counterpart (15%) with total cost of US$99,975,885.34. The GoU is also to fund the acquisition of land on the project to the tune of Ug shs 55.163 billion.

The objective of the project is provision of adequate transmission capacity to cater for the projected demand from within the industrial areas. The project comprises

- Construction of Luzira Industrial Park 132/33kV Substation and Transmission Line Project (15km)
- Construction of Mukono Industrial Park 132/33kV Substation and Transmission Line Project (5km)
- Construction of Iganga Industrial Park 132/33kV Substation and Transmission Line Project (10km)
- Construction of Namanve Industrial Park 132/33kV Substation and Transmission Line Project (5km)

Sub-Programme Performance

Financial Performance

The budget for FY 2018/19 is Ug shs 119.582billion, of which Ug shs 25.0billion is GoU funding and Ug shs 94.582billion. The GoU release was good with Ug shs 16.67 billion, of the Ug shs 25.0billion released. Ug shs 83.3billion of the external funding was spent by the project.

Physical performance

The project performance was good and significant progress was registered during the FY.

1. Sub-stations: Works on Iganga, Namanve, Mukono and Luzira the substations were completed but the substations were yet to be energized.

2. Transmission Lines: The overall progress is about 25.5%. Tower structural designs were completed; tower spotting, geotechnical investigations and studies for Namanve South, Iganga and Mukono Transmission Lines routes completed; Tower foundation works for Mukono and Namanve South Transmission Lines ongoing. Tower election works for Mukono Transmission Line were ongoing.

Status of RAP implementation at 31st December 2018

The RAP implementation for the transmission lines on the project was lagging behind and minimal progress was made during the first half of FY 2018/19. More effort should be given particularly in dealing with the challenging cases like PAPs who have land titles in wetland areas of Luzira-Namanve transmission line. The s3ummary for the RAP implementation for the PAPs in the transmission line corridor is summarized in table 7.8.

Table 7.8: RAP Progress for Electrification of Industrial Parks as at 31st December, 2018

	Q1 July- Sept 2018		Q2 Oct-Dec 2018		Relative Movement	
	Total Number	(%)	Total Number	(%)	Total Number	(%)
Total Number of Project Affected	542	100	542	100	0	0
Number Disclosed to	316	58	316	58	0	0
Agreements	311	57	311	57	0	0
Number of Households Paid	244	45	244	45	0	0
Compensation Disputes	5	1	5	1	0	0

Source: UETCL and Field findings

Challenges

- Works on all transmission line sections linking the industrial park substations to the transmission grid were behind schedule due to failure by UETCL to compensate for the line corridor. Several PAPs hold land titles in the Luzira wetland and a court injunction issued against UETCL prevented work from being undertaken.

- The Uganda Investment Authority (UIA) had not handed over the 30m line corridor in the Namanve Industrial Park as was agreed. This is delaying commencement of work on the transmission line.

- The contractor communicated his intention to calculate extra charges due to delays in handing over the line corridor. The project planned completion date is April 2019 which is unlikely to be achieved.

Recommendations

- The UETCL, MLHUD and NEMA should resolve the issue of land titles in wetlands in order to allow the construction works on the transmission line to proceed.

- The MFPED should engage the UIA management to ensure that they comply with their obligation of providing the land required for the successful completion of the project. Further delay on the project is going incur extra charges from the contractor.

L-R: Completed substation at Mukono Industrial Park, Ongoing construction works on the T-line for Mukono substation

Overall Programme Performance

Overall performance Energy Planning, Management and Infrastructure Development Programme was fair at 63.0% (Table 7.9). The performance of the programme outputs continued to be negatively affected by the poor performance of the NELSAP, and Lira-Tororo/Nkenda-Mbarara projects. Performance of the Karuma interconnection and Electrification of Industrial Parks improved but challenges of acquisition of wayleaves are a major project implementation hindrance. Other projects such as Opuyo-Moroto, Kampala-Entebbe, Mbale-Bulambuli, Grid Expansion and Reinforcement, Masaka-Mbarara, Mirama Kabale had not commenced works yet.

Table 7.9: Performance of the Energy Planning, Management and Infrastructure Development Programme as at 31st December, 2018

Sub-programme	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Electricity Sector Development Project	Implementation of Resettlement Action Plan	20.25	20.25	100.00	88.00	2.0	All resettlement houses were completed. Payments to the PAPs was at 87%.

Sub-programme	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Construction and supervision of grid extension lines in the transmission line connections and free electricity connections.	2.85	2.85	100.00	80.00	0.0	Grid extension works in Masaka and Kalungu were completed. Works in Mpigi and Wakiso were being finalized.
	Construction of 220kV Kawanda-Masaka transmission line and associated substations(Masaka and Kawanda)	62.30	62.30	100.00	90.00	9.3	Construction works on the transmission line and substations were completed. The contractors were fixing snags.
Mbarara-Nkenda/Tororo Lira Transmission Line	Implementation of Resettlement Action Plan	10.65	10.65	100.00	30.00	0.5	The compensation process was still very slow due to resistance of the PAPs and also low funds for the activity.
	Construction of Mbarara-Nkenda and Tororo-Lira transmission lines and substations	-	36.91	100.00	50.00	3.1	There was very little work done on the Tororo-lira Line since the contractors had suspended works in Jan 2017 and only work resumed in February 2018

Sub-programme	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Electrification of Industrial Parks	Construction of Namanve South, Luzira, Mukono and Iganga industrial park substations and associated transmission lines.	94.58	94.58	75.00	75.00	13.9	Substation works were completed. Works on the transmission lines were: Namanve South-Luzira - 10% Namanve North-Namanve South – 26% Mukono T-off - 43% Iganga T-off - 23%.
	RAP Implementation	25.00	16.67	75.00	0.00	0.0	The RAP progress was not good and this affected the EPC works on transmission lines.
Karuma Interconnection Project	RAP Implementation	29.29	29.29	90.00	85.00	4.6	Sufficient funds were not released for this activity during the FY.
	Construction of Karuma-Kawanda, Karuma-Olwiyo,Karuma-Lira transmission lines and associated substations	317.95	317.95	100.00	55.00	29.1	Good progress was registered on the Karuma-Kawanda transmission line with about 40% of the towers now erected. Works on the substations had just commenced.

Sub-programme	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
NELSAP(Bujagali-Tororo/Mbarara-Mirama)	Construction of Bujagali-Tororo and Mbrarara Mirama transmission lines	7.56	7.56	100.00	30.00	0.4	Works on Mbarara-Mirama completed. Work on Mbarara Substation was being finalized. The rest of the project works had stalled.
	RAP Implementation	2.50	2.50	100.00	30.00	0.1	The pending compensations cases were being handled case by case by the UETCL team.
Programme Performance (Outputs)						**63.0**	**This is fair performance**

Source: Field findings

7.2.2. The Large Hydro Power Infrastructure Programme

The programme is intended to support development of large hydropower generation facilities in the country. The programme objective is to ensure adequate generation capacity for economic development and it contributes to the sector outcome of "*increased access to affordable and efficient sources of energy"*. The total budget allocation of this programme is 42.75% of the total vote budget. Sub-programmes monitored for the FY 2018/19 are Isimba Hydropower Project and Karuma Hydropower Project.

7.2.2.1 Sub-Programme 1143: Isimba Hydroelectricity Power Project

Background

The project is an 183MW hydropower plant funded jointly by loan from China EXIM Bank (85%) and GoU (15%). The contract was signed in September 2013 and the contract sum for the project is US$ 567.7 million for a period of 40 months. The EPC contractor for the hydropower plant (HPP) and the Isimba-Bujagali interconnection line is China International Water and Electric Corporation (CWE), and supervising consultant is Artelia EUA and Environment in association with KKAT Consult.

Financial Performance

Funds for certificate interim payments up to IPC #16 is USD 401,694,552, GoU funding release for supervision, monitoring and RAP was fair with Ug shs 10.423 billion of the Ug shs 24.937 billion released to UEGCL for project activities.

Physical Performance

Overall progress for dam construction works was good and by January 2019, 98.25% of the project works were complete. Commissioning of units 1 and 2 was completed and the two units were undergoing test run. Reservoir impounding was completed on 31st December 2018. Unit 3 and 4 commissioning is planned for January 2019. The contractor requested for a time extension up to March 2019 to complete the remaining electro-mechanical works and construction of access roads.

The works on the bridge connecting Kayunga and Kamuli had commenced and civil works on the foundations were on-going. There was a delay in procurement of the supervising consultant to supervise works on the bridge and this posed a major risk to the quality of the works.

Progress of the Bujagali-Isimba Interconnection

The works on the switchyard and the 42km transmission line were completed. By January 2019, about 90MW of electricity generated from units 1 & 2 at Isimba was being evacuated to the Bujagali switchyard through the completed transmission infrastructure.

Community Development Action Plan

The community development action plan (CDAP) activities had commenced. Drilling of boreholes in Kayunga and Kamuli districts was ongoing and the ground breaking for the construction of technical school at Lwanyama in Kamuli District was undertaken in November 2018. Other components under the CDAP were awaiting more funds.

Challenges

- Incidents of vandalism on the Isimba-Bujagali transmission line were reported and a case of theft of Optical Ground Wire (OPGW) on tower 9 to 11.
- The works on motor able road for operation and maintenance activities along the transmission line were pending.
- There was a delay in procurement of the consultant to supervise the works on the Isimba bridge which posed a risk to the quality of works on the bridge.

Downstream view of the completed Isimba HPP power house showing the evacuation lines

L-R: Completed planthouse at Isimba HPP showing completed generation units, Levelling works on the parking lot at Isimba HPP with completed switchyard in the background

7.2.2.2 Sub-Programme 1183: Karuma Hydroelectricity Power Project

Background

The GoU is developing Karuma HPP as a public investment to generate 600MW of electricity. The medium term objective of the project is the ultimate development of Karuma HPP and its associated transmission line interconnection. The hydropower plant will contribute to increasing power supply in the country, and possibly in the East African region. The EPC contractor is Sino Hydro Corporation Limited and the supervising consultant is Energy Infratech PVT Limited. The total cost of the EPC works is USD 1,398,516,747 with EXIM Bank contributing 85% and GoU contributing 15%.

Financial Performance

Financial progress by 31st December 2018 was 81.96% against a planned absorption of 100%. The certified amount released to date is USD 1,146,363,664 out of the contract sum of USD 1,398,516,759. The released funds include the GoU funding component of 15% which was disbursed as an advance payment to the EPC contractor.

Physical performance

Overall progress was at 86%. Civil works were at 66.5%, hydro-mechanical works at 1.15% and electro-mechanical works area at 11.18%. Overall progress of the work was fair and the project remained behind schedule and revised completion date is December 2019.

- Civil works: Concrete works on the dam and power intake were completed. While concreting works were advanced at the main transformer cavern, surge chamber, tail race and head race tunnels was ongoing. Repair works on defective concrete works were ongoing. Works on the control room and auxiliary house was almost complete.

- Hydro-mechanical works: Testing of all gates was undertaken. Erection of thrash rack and the rip- rap is on-going.

- Electro-mechanical works: Installation works continued in the power house and the lowering of rotor for unit 1 was completed and the run-out test completed.

Challenges

- Most of the observed defects in concrete structures especially in the stilling basin and some underground components such as the surge chamber and the Tail Race Tunnel (TRT) were being undertaken.

- The MEMD was yet to pay compensation for land around the reservoir area.

Recommendations

- The UEGCL and the Owner’s Engineer should more vigilant and prevail on the EPC contractor to satisfactorily complete the repairs on the identified defects. The project team should also be more vigilant in the supervision of works to prevent further occurrences of shoddy works as we move towards the project completion.

- The MEMD should quickly resolve the issue of compensation in the reservoir area to prevent further delay and complications with the project affected community.

Overall Programme Performance

The overall performance of the programme was good at 70.5 % (Table 7.10). The programme achieved a major milestone of commissioning Units 1 & 2 at Isimba HPP, with major works completed at the project. Units 3 and 4 at Isimba HPP were due to be commissioned by end of January 2019. Works at the Karuma HPP were progressing.

L-R: Electromechanical works in the power house showing a partially completed generator unit, Ongoing works at the power intake

L-R: Installed Log boom at the Karuma HPP intake area, Electromechanical works inside the rotor assembly for Unit 6 at Karuma HPP

Table 7.10: Performance of the Large Hydro Infrastructure Programme by 31st December, 2018

Sub-programmes	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Isimba HPP	Construction works on Isimba HPP	0.000	37.23	100.00	98.00	5.72	Overall progress at 98.25% of physical works. Reservoir impounding completed by 31st December 2018. Units 1 & 2 were commissioned.
	Supervision of works on Isimba HPP	16.328	8.62	100.00	95.00	2.48	Supervision of the project improved by acquisition of a new Owner's Engineer (ARTELIA EUA AND KATT Consult) in Jan 2018.
	Implementation of the RAP, CDAP and ESMP	3.609	1.80	100.00	75.00	0.43	Implementation of the CDAP commenced with siting and drilling of boreholes.
Karuma HPP	Construction works on Karuma HPP	576.749	576.75	100.00	67.00	61.84	The overall physical progress of works was estimated at 91.0% against the time spent of 84.7%.
	Supervision of works on Karuma HPP	25.772	12.09	100.00	79.00	3.30	Supervision of the works continued with Energy Infratek pvt.
	Implementation of the RAP, CDAP and ESMP	2.370	1.69	100.00	40.00	0.15	The reservoir area of the project was yet to be compensated by MEMD. The construction of the mosque and church stalled due the expiry of the contracts.

Sub-programmes	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Isimba HPP	Construction works on Isimba HPP	0.000	37.23	100.00	98.00	5.72	Overall progress at 98.25% of physical works. Reservoir impounding completed by 31st December 2018. Units 1 & 2 were commissioned.
	Supervision of works on Isimba HPP	16.328	8.62	100.00	95.00	2.48	Supervision of the project improved by acquisition of a new Owner's Engineer (ARTELIA EUA AND KATT Consult) in Jan 2018.
	Implementation of the RAP, CDAP and ESMP	3.609	1.80	100.00	75.00	0.43	Implementation of the CDAP commenced with siting and drilling of boreholes.
							Land for resettlement of project affected persons was not been procured.
Overall performance(Outputs)						**70.5**	**This is good performance**

Source: Field findings

7.2.3 The Petroleum Exploration, Development, Production, Value addition and Distribution of Petroleum Products Programme

The programme effectively monitors all petroleum operations in the country for the exploitation of the petroleum resource in an economically and environmentally conducive manner. The Directorate of Petroleum in the MEMD is responsible for promoting and regulating the petroleum upstream (exploration, development and production) sub-sector in the country. The directorate is also handling the development of the country's petroleum midstream sub-sector, which involves planning for the development of the refinery and pipelines in the country. The programme contributes to the third sector outcome of "*sustainable management of the country's oil and gas resources.*" The programme took up 3.3% of the total sector budget for FY2018/19. The programme comprises of the sub-programmes below;

- Strengthening the Development and Production Phases of Oil and Gas Sector sub-programme (1355)
- Skills for Oil and gas Africa/SOGA Sub-programme (1410)
- Construction of Oil Refinery sub-programme (1184)
- Midstream Petroleum Infrastructure Development Project sub-programme (1352)

Strengthening the Development and Production Phases of Oil and Gas Sector (1355), and Skills for Oil and gas Africa/SOGA (1410) sub-programmes were monitored. The Lead Investor, M/s Albertine Graben Refinery Consortium (AGRC) for the Oil Refinery commenced the Front End Engineering Design (FEED) studies to inform the Final Investment Decision (FID) of the Refinery Project. On the East African Crude oil export pipeline (EACOP) negotiations of the Host Government Agreement (HGA) between Government of Uganda and the Joint Venture Partners were progressing.

7.2.3.1 Sub-Programme 1355: Strengthening the Development and Production Phases of Oil and Gas Sector

Background

The purpose of the project is to put in place institutional arrangements and capacities to ensure well-coordinated and results oriented resource management, revenue management, environmental management and Health Safety Environmental (HSE) management in the oil and gas sector in Uganda in order to contribute to the achievement of the objectives of the National Oil and Gas Policy (NOGP).

Financial Performance

The budget for FY2018/19 is Ug shs 16.61 billion. 57.3% of the budget was released by 31st December 2018. Absorption of funds was fair at 60.1%.

Physical Performance

Performance was fair. The sub-programme was granted a one-year extension to be completed by June 2020. 200-line km of geophysical and geochemical data was collected and over 320 sq km of geological mapping was undertaken in Moroto-Kadam basin representing 40% coverage of the basin.

The second licensing round preparations were in progress with meetings ongoing with the launch expected at the East Africa Petroleum Conference in May 2019. Production license applications were being reviewed for the areas of Lyec, Mpyo and Jobi-East.

The construction of Phase-3 of the National Petroleum Data Repository, laboratories and offices for the Directorate of Petroleum, and the Petroleum Authority of Uganda (PAU) was ongoing and progress was at 62%. However, works were behind schedule as opposed to the planned progress of 100%.

The procurement of several equipment for the laboratory and field activities (Gravity meter and GPS sets) was in advanced stages and the servicing of the LECO analysis machine was undertaken.

L-R: Ongoing Phase 3 construction works for building to house Laboratories, Petroleum Directorate and Petroleum Authority of Uganda (PAU) at Entebbe; Some of lab equipment that was serviced at the Petroleum Directorate laboratories, Entebbe

Challenges

- The progress of construction works for the building to house the National Petroleum Data Repository, laboratories and offices for the Directorate of Petroleum, and the PAU, plus acquisition of software packages to analyse oil and gas data was constrained by low funding. Even though the release was good, funding was limited by the budget ceilings.

- The sub-programme was affected by inadequate staffing levels due to some staff being lost to PAU and UNOC.

Recommendations

- The sector should prioritize funding for constructions works on the building to house the National Petroleum Data Repository, laboratories and offices for the Directorate of Petroleum, and PAU.

- The energy sector planning unit should prioritize allocation of adequate funds for equipping the directorate in charge of the oil and gas with the specialized software packages and licenses required to analyze the oil and gas sector data.

7.2.3.2 Sub-Programme 1410: Skills for Oil and gas Africa (SOGA)

Background

The main objective of the sub-programme is to improve access to jobs and economic opportunities for Ugandans around the country's oil and gas sector. It is expected that the number of the Ugandan population in sustainable jobs associated with oil and gas investments will increase by 8,000 (in total 32,000 for all four countries). Out of the 8,000 people, 35% should be women and 40% young people between the age 15 and 24. In addition, the sub-programme will raise the incomes of 60,000 people by 10% (including indirect and induced income increments; in total 240,000 for all four countries). The total GoU sub-programme budget is Ug shs 50bn.

Financial Performance

The sub-programme took 9.3% of the programme budget. The budget of the sub-programme for the FY2018/19 is Ug shs 5.36billion. 63.4% of the budget was released by 31st December 2018. Absorption of funds was very poor at 6.2%

Physical Performance

The sub-programme performance was fair. The programme continued to deliver trainings and workshops to promote employment in oil and gas. Skills workshops with vocational and technical institutions were held in Lira and Gulu, whereas training in local content implementation and compliance was undertaken in Lagos, Nigeria. The Local Content Policy was approved by Cabinet, but yet to be gazetted.

Overall Performance of the Programme

The overall performance of the programme was fair at 68.5% (table 3.9). The construction of Phase-3 of the National-Petroleum Data Repository, laboratories and offices for the Directorate of Petroleum, and the PAU was progressing, but behind schedule due to low funding while the geophysical, geological and geochemical data acquisition and mapping continued in Moroto-Kadam basin. Also preparations for another licensing round were underway.

Table 7.11 shows the details performance of the Petroleum Exploration, Development, Production, Value addition and Distribution of Petroleum Products Programme.

Table 7.11: Performance of the Petroleum Exploration, Development, Production, Value Addition and Distribution of Petroleum Products Programme as at 31st December 2018

	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Sub-programme 1355: Strengthening the Development and Production of Phases of the Oil and Gas Sector	Promotion of the Country's Petroleum Potential and Licensing	0.850	0.667	100	62.00	3.06	About 200-line km geophysical and over 320 sq. km of geological and geochemical collected. Procurement of consultancy services to undertake ESIA assessment for exploration ongoing. 3 steering committee meetings held for the 2nd licensing round.
	Initiate and Formulate Petroleum Policy and Legislation	0.220	0.153	100	45.00	0.65	Populating the M and E database for the NOGP ongoing. Formulation of guidelines postponed pending regulatory impact assessment for the National Oil and Gas Policy.
	Capacity building for the Oil and Gas Sector	5.600	3.327	100	43.00	18.45	One staff completed Masters' degree. Retention allowance for 50 staff was paid. 3 short courses were undertaken by 6 staff.

	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Monitoring Upstream Petroleum Activities	0.700	0.467	100	60.00	2.87	Supervision of RAP for Tilenga in Buliisa and Kingfisher in Hoima undertaken.
	Participate in Regional Initiatives	0.900	0.700	100	70.00	3.69	Ministry participated in the EAC Sectorial Council Meeting held between 15th-19th October, 2018 in Arusha, Tanzania. Four (4) East African Petroleum Conference and Exhibition-2019 (EAPCE) steering committee meetings held.
	Government Buildings and Administrative Infrastructure	4.540	2.310	100	40.00	16.24	Construction of Phase-3 of the National Petroleum Data Repository Laboratories and offices for the Directorate of Petroleum and PAU continued with progress at 62%. Repairs on the White House block and other blocks undertaken.
	Purchase of Motor Vehicles and Other Transport Equipment	0.800	0.400	100	20.00	1.46	Procurement of 4 field vehicles ongoing at bids advertising stage.

	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Purchase of Office and ICT Equipment, including Software	1.200	0.600	100	20.00	2.18	Procurement of maintenance licenses is at bids advertising stage. Antivirus licenses was renewed.
	Purchase of Specialised Machinery and Equipment	1.700	0.850	100	25.00	3.87	LECO Machine was serviced. Procurement of one gravity meter, 2 sets of differential GPS and 2 handheld GPS ongoing at contract clearing stage.
	Purchase of Office and Residential Furniture and Fittings	0.100	0.050	100	50.00	0.46	Some office furniture was procured. Procurement of other office furniture postponed pending completion of the ongoing Data Centre and Office Building complex.
Sub-programme 1410: Skills for Oil and Gas Africa (SOGA)	Capacity building for the Oil and Gas Sector	4.962	3.033	100	40.00	14.78	Skills requirements workshops with Vocational and Technical Institutions held in Masaka, Lira and Gulu districts. Local Content Policy approved by Cabinet but yet to be gazetted. Two (2) national content staff were trained in Lagos

	Output	Annual Budget (Bn Ug shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							Nigeria.
	Monitoring Upstream Petroleum Activities	0.100	0.067	100	30.00	0.20	Procurement re-tendered and permission to award gotten.
	Purchase of Motor Vehicles and Other Transport Equipment	0.300	0.300	100	50.00	0.68	Procurement of one motor vehicle in final stages.
	Programme Performance (Outputs)					**68.58**	**This is fair performance**

Source: Field findings

7.2.4 The Mineral Exploration, Development and Value-Addition Programme

The programme took up 1.4% of the MEMD vote budget. The programme is responsible for the functions under the mineral sector, which involves Mineral Exploration and Investment Promotion. To achieve this objective, the sub-sector undertakes collecting, collating, processing, analyzing, archiving and disseminating geo data, monitor and assist small scale miners and also enforce regulations in the sub-sector. The programme also undertakes airborne geophysical surveys to acquire airborne magnetic, radiometric and some electromagnetic covering the entire country. The outcome of the programme is to have sustainable management of mineral resources for economic development. The programme aims at having increased value of mineral exports as per permits issued, increased value of mineral production and change in revenue of mineral rights.

The programme consists of the sub-programmes below;

- Uganda Geothermal Resources Department sub-programme (1199)
- Mineral Wealth and Mining Infrastructure Development sub-programme (1353)
- Design, Construction and Installation of Uganda National Infrasound Network/DCIIN (1392)
- Mineral Laboratories Equipping and Systems Development (1505)

7.2.4.1 Sub-Programme 1353: Mineral Wealth and Mining Infrastructure Development Sub-Programme

Background

This sub-programme is housed under the Directorate of Geological Surveys and Mines (DGSM) that is composed of three (3) departments as follows: Geological Surveys, Mines, and Geothermal Resources. Thus the mineral sub-sector must deliver socio-economic transformation with inclusive economic growth in the development process. Since 2011-2014 at least 26.5% of the population was employed directly and indirectly in the mineral sub-sector more especially as Artisanal and Small Scale Miners (ASM) and quarrying industrial minerals, such as salt, clay, sand, aggregates stones and slates (UBOS 2011, NDP-1).

Expected results under the sub-programme are:

- Aeromagnetic and radiometric maps of Karamoja
- Mineral certification infrastructure established in Entebbe
- NDP-I 1-6 objectives targets and out puts delivered
- Mineral reserves established for development
- Earthquake research and monitoring facilities constructed and risk management infrastructure restored 6. Mineral rich corridors and business centres linked for industrial development
- Four (4) mineral beneficiation centres constructed
- Youth trained in mineral beneficiation technical skills
- Mineral laboratories improved for value addition tests
- A new legal, fiscal and regulatory framework

Financial Performance

The budget for FY2018/19 is Ug shs. 12.75 billion. Release and expenditure were at 64.7% and 52.4% as at 31st December 2018.

Physical performance

The performance for the sub-programme was good. The Principles for the Mining and Minerals bill were developed and submitted to Cabinet on 17th December, 2018. The Regulatory Impact Assessment (RIA) for the Mining and Minerals Bills finalized and the financial clearance for the principles on the Mining and Minerals bill obtained from Ministry of Finance. The draft final Mineral Laboratory Policy presented to sector Working Group and RIA was being developed.

In order to strengthen the regulatory frame work, regulations for online licensing were finalized and review of mining regulations, 2004 was ongoing. The mineral policy that was approved on 7th May 2018 is awaiting gazetting by the minister. Under the licensing function, 104 licenses were granted in the first half of the year and 41 licenses were not renewed.

Under Mineral exploration, different surveys were conducted. Geological and geophysical surveys of iron ore in the areas of Muko, Kisoro, Rukungiri and Kabale were undertaken. 165 tonnes of iron ore are estimated in Muko, Kisoro, Rukungiri and 70 tonnes are estimated in Kabale. Evaluation of Sand deposits at Dimu, Masaka was undertaken and 103,084,159 tons of Silica, Silty and Micaceous sands were established. Geochemical survey of gold and base metals associated with iron ore anomaly in Muko undertaken. Geochemical survey of uranium anomaly in Katara, Buhweju was also conducted and 249 soil samples, 24 alluvial samples and 27 rock samples were collected for analysis.

Under inspection and monitoring, three location licenses in Mubende, 30 exploration licenses in Mbarara and Kigezi and mining sites in Namayingo and Busia were monitored. A total of 11 associations were registered in Mubende, Namayingo and Ntungamo.

Procurement of a consultant to undertake biometric registration to reorganize and monitor activities of artisanal miners was on-going.

Fencing of land for Moroto Regional Center was ongoing, while procurement for fencing land in Mbarara and Ntungamo was ongoing. Acquisition of land for eastern regional centre in Busia was under procurement.

Capacity building of staff continued. Three (3) staff enrolled for Master of Science degrees in Msc in Mining Engineering in UK, MSc in Analytical Chemistry in UK, and MSc in Geotechnical Engineering in Thailand, whereas one (1) staff enrolled for certificate course in MCSE window server.

Challenges

- Commencement of works on other regional offices was delayed by pending approval of designs made by the consultant by Ministry of Works and Transport team.
- Absorption of funds was low due to delay in the procurement processes.
- There was delay in execution of works due to inadequate staffing levels.

7.2.4.2 Sub-Programme 1392: Design, Construction and Installation of Uganda National Infrasound Network (DCIIN)

Background

The objectives of the project are to Design, Construct and Install Infrasound Network (DCIIN) in Uganda. An infrasound network consists of sensors that measure micro pressure changes in the atmosphere which are generated by the propagation of infrasonic waves created as a result of events such as nuclear explosion, storms, earthquakes, exploding volcanoes and meteors. The technology therefore has considerable potential for disaster prevention and mitigation through early warning. The project aims to:

- Establish Infrasound Network Infrastructure in line with the Uganda Vision 2040;

- Build human resources' capacity in infrasound research for social economic development and population's security.

- Enable vulnerable communities install corrective measure against lightning strikes; advise government on a comprehensive national strategy for adaptation and mitigation systems.

Overall budget for the sub-programme is Ug shs 32billion and this is fully GoU funded.

Financial Performance

The sub-programme budget for FY 2018/18 is Ug shs 3.63 billion. Release as at 31st December 2018 was at 66.6%. However, expenditure performance was poor at 44.2%.

Physical performance

The sub-programme performance was fair. The sub-programme undertook training in infrasound technology and geophysical data from Kiryandongo, Hoima and Bushenyi at sites hit by lightning.

An MoU for establishing an infrasound station in Entebbe was cleared for signature by the Solicitor General and construction works on the first infrasound station commenced.

To map vulnerability of lightning risk, geophysical and magnetic surveys and measurements were carried out in the areas of western, Central, Eastern and North eastern Uganda where fatal lightning strikes have been experienced. A lightning database was put up and information on how to manage lightning risks was disseminated to the vulnerable communities, public buildings and schools.

Challenges

There was inadequate staffing due to a number of unfilled vacancies in the Geological and Mines Department. Most staff were being shared among the three departments and this caused implementation of activities difficult.

Recommendation

The MEMD should follow up with Ministry of Public Service to fill the vacant positions in the Ministry structure as a matter of urgency. These positions have been unfilled for a long time.

7.2.4.3 Sub-Programme 1505: Mineral Laboratories Equipping and Systems Development

Background

The Government of Uganda has prioritized the mineral sector in the Second National Development Plan II (NDP II). The sub-programme therefore is meant to equip the minerals laboratories and develop systems for sustainable analytical and mineral value addition test services. Overall budget for the sub-programme is Ug Shs. 24.115 billion.

The expected outputs from the sub-programme include;

- Project administration and management is in place
- Analytical and mineral value addition equipment, accessories and consumables acquired
- Physical structure of the laboratories and systems to support the required analytical and value addition capacity remodelled and refurbished
- Training and Skills development in analytical and mineral value addition achieved
- Mechanisms put in place for the mineral laboratories to meet international standards (ISO Certification) and requirement s for analytical and value addition laboratory testing
- Systems and capabilities to monitor analytical and mineral value addition operation put in place

Financial Performance

The sub-programme budget for FY 2018/19 is Ug shs 2 billion. Release was at 54.1%, while expenditure performance was very poor at 6.2%.

Physical Performance

The performance of the sub-programme was fair. A team from Ministry of Works and Transport was assigned to provide technical support in designing a modern laboratory building to house all DGSM laboratories. A benchmarking trip to mineral research facilities at University of Cape Town in South Africa was made.

Contract for design, implementation, maintenance and support services of a Laboratory Information Management System (LIMS) for the DGSM Laboratories was signed and consultant was yet to start work.

The procurement of laboratory equipment such as petrology, mineralogy, gemology, sample reception and reagents was initiated and bids were received and opened.

Training of staff on hazardous substances and health, safety and environment and laboratory standards was referred to last half of financial year.

Challenges

- Delays in the procurement process hindered progress in implementation of sub-programme activities.

- There was inadequate funding for acquisition laboratory equipment since most equipment is costly. The conclusion of the procurement process may not be possible with inadequate funds.

- Power supply problems within office and laboratory blocks of the DGSM which have damaged equipment in the past and has not made it possible to install newly acquired equipment.

Recommendations

- The MFPED should increase the budget allocation to the sub-programme in order to acquire the costly minerals laboratory equipment.

Overall Performance of the Programme

The performance of the programme was fair at 66.49% (Table 7.12). The Mineral Policy is awaiting gazetting by the Minister, while geological and geophysical surveys to establish the mineral potential were undertaken. Reorganization of Artisanal miners and mapping of lightning risk prone areas was ongoing.

Table 7.12: Performance of the Mineral Exploration, Development and Value-Addition Programme as at 31st December 2018

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Sub-programme 1353: Mineral Wealth and Mining Infrastructure Development	Policy Formulation Regulation	0.500	0.292	100	52.00	2.42	Principles for the mining and minerals bills developed, yet to be submitted to Cabinet. Draft Mineral Laboratory Policy presented to sector working group and Regulatory Impact Assessment (RIA) was being developed. ToRs for Mineral Certification database developed. Regulations for online system finalized.
	Institutional Capacity for the Mineral Sector	2.815	2.041	100	65.00	13.73	Four staff enrolled for Masters level training. One staff enrolled for certificate course in MCSE window server certification. Mining Cadastre and Registry System software updated to e-government system and now hosted in the

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							clouds.
	Mineral Exploration, Development, Production and Value-addition promoted	0.836	0.507	100	55.00	4.12	Evaluation of sand at Dimu, Masaka established. Geochemical survey of Uranium anomaly at Katara, Buhweju and geochemical surveys of Gold and iron ore in Kabale undertaken.
	Health Safety and Social Awareness for Miners	0.538	0.409	100	63.00	2.43	Mapping of ASM site in Mubende ongoing. 20 miners in Mubende and 50 miners in Namayingo sensitized. Associations registered were: 2 in Namayingo, 5 in Mubende and 4 in Ntungamo
	Licensing and Inspection	1.315	0.918	100	50.00	5.12	Assessment and due diligence conducted on 82 applications. 104 licenses granted. Illegal mining operations in Ibanda, Karamoja and Kabarole and Kabale districts identified and mineral police deployed.
	Contribution to International	0.350	0.350	100	65.00	1.24	Mineral certification guidelines drafted. Kikagati site inspection done. TOR

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Organisation (SEAMIC)						for mineral certification database developed. Subscription made to AMGC, Mining Magazine, Mineralogical record magazine and Newspapers Magazine and DSTV.
	Acquisition of Land by Government	0.080	0.053	100	40.00	0.26	Procurement for fencing of land in Mbarara and Ntungamo was initiated and under evaluation. Procurement for land in Busia was at contract stage. Fencing of Moroto land was ongoing.
	Government Buildings and Administrative Infrastructure	2.700	1.600	100	27.00	6.69	Procurement initiated for Fort Portal and Ntungamo coordination offices. Procurement was delayed by pending formalisation of MoU with Ministry of Works and Transport.
	Purchase of Motor Vehicles and other Transport Equipment	1.000	0.750	100	45.00	3.26	Procurement for six motor vehicles initiated and clearance from MoPS obtained in December, 2018.
	Purchase of Specialized Machinery and	2.520	1.260	100	20.00	5.48	Procurement of 2 drilling rigs and geological equipment initiated.

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Equipment						
	Purchase of Office and Residential Furniture and Fittings	0.100	0.067	100	25.00	0.20	Procurement for assorted office furniture for Moroto office initiated and at evaluation stage.
	Institutional Capacity for the Mineral Sector	0.228	0.155	100	40.00	0.73	Contract for designing of Laboratory Information Management System underway. Training of technical staff was ongoing.
Sub-programme 1505: Mineral Laboratories Equipping and Systems Development	Mineral Exploration, Development, Production and Value-addition promoted	0.100	0.068	100	50.00	0.40	Standard Operating Procedure for analytical techniques were developed. Identification of analytical test methods to be acquired from ASTM International underway.
	Health Safety and Social Awareness for Miners	0.010	0.007	100	0.00	0.00	Training of staff on health, safety and environment in laboratories scheduled for January 2019
	Government Buildings and Administrative Infrastructure	0.130	0.087	100	35.00	0.37	Procurement of a contractor to refurbish the laboratory building was ongoing.

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Sub-programme 1392: Design, Construction and Installation of Uganda National Infrasound Network (DCIIN)	Purchase of Specialized Machinery and Equipment	1.532	0.766	100	30.00	5.00	Procurement for laboratory equipment initiated. Bids were received and opened. However, there is need to increase funding since laboratory equipment is costly.
	Policy Formulation Regulation	0.128	0.084	100	50.00	0.53	78 staff trained for 2 days on infrasound technology. Intrusive features on Geophysical data collected from Bushenyi, Hoima and Kiryandongo were validated.
	Institutional Capacity for the Mineral Sector	0.221	0.137	100	50.00	0.97	Field data to pattern of a lightning base map for public institutions was generated. Collected and interpreted geophysical data form lightening prone areas. Works on first infrasound station was ongoing.
	Mineral Exploration, Development, Production and Value-addition promoted	0.221	0.146	100	40.00	0.73	Data base on lightning risk was built. It was realized that lightning data supports exploration for natural resources and geological mapping of structures such as dykes, faults among others.
	Health Safety and Social	0.228	0.149	100	50.00	0.95	Maps were disseminated to benefit the business

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Awareness for Miners						groups in minerals prospecting and mineral exploration. National Disaster Risk Atlas in the Office of the Prime Minister was prepared. A lightning database was setup.
	Licensing and Inspection	0.250	0.181	100	60.00	1.13	Field investigations carried out in Western, Central, North-Eastern, Karamoja region and Aswan shear rift zones. Monitored facilities dealing with seismic data collection and carried inspection on vulnerable communities, public buildings and schools.
	Acquisition of Land by Government	0.230	0.153	100	55.00	1.03	An agreement for the Entebbe Infrasound Station was concluded in the established Land acquisition framework for Infrasound Network. Registration of Land housing seismological stations was supported.
	Government Buildings and Administrative Infrastructure	0.990	0.660	100	55.00	4.44	An MoU for establishment of Uganda National Infrasound Network station in Entebbe was cleared for signature by Solicitor General in December

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							2018. The project Contractor commenced the construction of the Entebbe Infrasound station.
	Major Bridges	0.020	0.013	100	50.00	0.08	The project supported the maintenance of seismological station in Hoima, Kilembe Nakauka, Mbarara and Aswa shear zone.
	Purchase of Motor Vehicles and other Transport Equipment	0.300	0.200	100	40.00	0.98	One Motor Vehicle procured. Procurement of 2 motor vehicles commenced.
	Purchase of Office and Residential Furniture and Fittings	0.121	0.081	100	50.00	0.49	The project procured two (2) data Servers Eight (8) workstations Computers and six (8) laptops for Infrasound data centre in Entebbe. The procurement of a contractor to renovate office space for Infrasound data centre was initiated.
	Purchase of Specialised Machinery and Equipment	0.790	0.527	100	50.00	3.22	Bid evaluation for 5 Infrasound stations was completed. No bidder met expectations. Contracts committee to re-tender.
	Purchase of Office and Residential	0.020	0.013	100	40.00	0.07	The project procured Office and Residential Furniture and Fittings to host Lightning risk

	Output	Annual Budget (Ug Bn shs)	Cum. Receipt (Bn Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Furniture and Fittings						test kits.
	Acquisition of Other Capital Assets	0.110	0.073	100	45.00	0.40	The project initiated procurement of Infra sound Network lightning protection systems and noise reduction technologies for stations
	Programme Performance (Outputs)					**66.49**	**This is fair Performance**

Source: Field findings

7.3: Vote 123- Rural Energy Electrification Agency (REA)

Introduction

The REA was established as a semi-autonomous agency by the MEMD through Statutory Instrument 2001 no. 75. It seeks to operationalize Government's rural electrification function under a public-private partnership.

Mandate and Mission

The REA is mandated to facilitate provision of electricity for socio-economic and rural transformation in an equitable and sustainable manner. The medium term goal of REA is to achieve 26% rural electrification by June 2022.

Overall Performance

Financial performance

The vote took up to 27.5% of the sector budget. 55.8% of the Vote budget was released by the end of half FY 2018/19. Absorption of funds was poor at 34.5% (Table 7.13).

Table 7.13: REA Vote Financial Performance by 31st December, 2018

REA

Component		Approved budget (Ug shs billion)	Release (Ug shs billion)	Expenditure (Ug shs billion)	% Budget released	% Budget spent	% Releases Spent
Recurrent budget	Wage	0.000	0.000	0.000	0.0	0.0	0.0
	Non-wage	0.000	0.000	0.000	0.0	0.0	0.0
Development budget	GoU	101.976	51.778	17.486	50.8	17.1	33.8
	Ext. Fin	534.562	308.384	102.44	57.7	19.2	33.2
GOU Total		**101.976**	**51.778**	**17.486**	**50.8**	**17.1**	**33.8**
Total GoU+ Ext Fin(MTEF)		**636.538**	**360.163**	**119.926**	**56.6**	**18.8**	**33.3**
Arrears		0.000	0.000	0.000	0.0	0.0	0.0
Total Budget		**636.538**	**360.163**	**119.926**	**56.6**	**18.8**	**33.3**
A.I.A Total		46.625	21.107	11.518	45.3	24.7	54.6
Grand Total		**683.164**	**381.270**	**131.443**	**55.8**	**19.2**	**34.5**
Total Vote Budget Excluding Arrears		**683.164**	**381.270**	**131.443**	**55.8**	**19.2**	**34.5**

Source: Approved Budget Estimates FY2018/19

7.3.1 The Rural Electrification Programme

The programme aims at achieving universal access to electricity by 2040. It works in line with the Rural Electricity Strategic Plan II (2013-2022) which aims at increasing electricity access to 26% by June 2022. The sub-programme consists of six sub programmes namely;

- The Rural Electrification sub-programme (1262)
- Grid Rural Electrification Project IDB I – Rural Electrification sub-programme (1354)
- Energy for Rural Transformation (ERT) Phase III sub-programme (1428)
- Construction of the 33KV Distribution Lines in Kayunga, Kamuli and Kalungi Service Stations (1516)
- Bridging the demand gap through the accelerated rural electrification Programme/TBEA sub-programme (1517)
- Uganda Rural Electrification Access Project /UREAP sub-programme (1518)

7.3.1.1 Sub-Programme 1262: Rural Electrification Project

Background

The sub-programme contributes to the objectives of the Rural Electricity Strategic Plan II (RESP II) by undertaking construction of rural electrification projects. It is jointly funded by GoU and Development partners who include Islamic Development Bank (IDB), Saudi Fund for Development (SFD), The World Bank (IDA), Arab Bank for Economic in Africa (BADEA), OPEC Fund for International Development (OFID) French Agency for Development (AFD) and Africa Development Bank (AfDB).

Sub-Programme Performance

Financial Performance

The budget for sub-programme for FY 2018/19 is Ug shs 207.34 billion. GoU and donor release were at 58.2% and 55.2% respectively. However, absorption of GoU funds was poor at 36.7%, compared to that of donor funds absorption which was good at 100%.

Physical Performance

Schemes under French Development Agency (AFD) were completed, commissioned and under Defects Liability Period (DLP) while schemes under BADEA/OFID in Kamuli and Buyende were nearing completion with some completed and awaiting commissioning. Under IDB II funding, pole erection was ongoing for both Lot 3A in the districts of Lira, Soroti, Kole, Tororo and Katakwi and Lot 3B in the districts of Mbarara, Mitooma, Rukungiri, Kabale, Ibanda, Kabarole, Kamwenge, Rubanda, Kisoro, Ntungamo, Kanungu and Kyenjojo.

Under IDB III funding which extends countrywide, pole erection and stringing was under way for the different schemes under Lots 1-6 except in the districts of Nakaseke, Luwero, Namayingo, Bundibugyo, Mbale and Manafwa where construction works were yet to begin.

Challenges

- Delayed delivery of materials such as poles in some project areas hindered project implementation.
- There were some difficulties in acquiring a line corridor in some areas where compensation was demanded by PAPs.

Recommendations

- The REA should fast track delivery of materials to the different sites.
- The REA should conduct more community sensitization in project implementation areas.

7.3.1.2 Sub-Programme 1354: Grid Rural Electrification Project IDB I

Background

The sub-programme is financed by the Islamic Development Bank and it aims at promoting sustainable economic growth and improving the standard of living of the rural population in Northern Eastern Region of Uganda by providing access to electricity through extending the national grid.

Sub-Programme Performance

Financial Performance

The budget for FY 2018/19 is Ug shs 83.48 billion. The GoU release was at 54.4%, while donor release was at 54.0%. However, absorption of funds was poor at 22.9%.

Physical Performance

Construction works for Lot 3 in Moroto, Nakapiripirit and Nabilatuk districts were ongoing and pit excavation and pole erection was being undertaken. Works for Amudat under Lot 3 were yet to start. Lot 4 works in Moroto, Kotido and Kaabong districts were more advanced than lot 3 and pole erection was ongoing.

7.3.1.3 Sub-Programme 1428: Energy for Rural Transformation (ERT) Phase III

Background

The objective of the Third Phase of the Energy for Rural Transformation Program Project is to increase access to electricity in rural areas of Uganda. The funding for the project is through a loan from the World Bank (IDA) to a tune of US$135 million and a grant from the Global Environment Facility (GEF) Trust Fund of US$ 8.2 million. There are three components to the project:

i. On-grid energy access. This component includes four sub-components: grid extension and associated connections, grid intensification and associated connections, household connections from existing lines, and implementation support for on-grid energy access. Beneficiary areas will include West Nile, North-western, Central-North, Eastern, Central, Rwenzori, Mid-Western and South Western service territories of Uganda.

ii. Off-grid energy access. This component covers off-grid energy access, including the installation of solar PV systems for public institutions in rural areas; business development support; provision of credit facilities to enhance electricity access; and quality standards enforcement support.

iii. Institutional strengthening and impacts monitoring. This component will finance transaction advisor (TA) and capacity development required to accelerate electricity access. It will also support the Government to carry out an impact monitoring and evaluation of ERT-2. TA provided under this component will finance the necessary consultancy services, capacity building activities, and operations costs. This component will be implemented by the MEMD, in collaboration with the ERA, and the MFPED.

Sub-Programme Performance

Financial Performance

The GoU and donor releases were at 57.6%, and 52.4% respectively, however absorption of funds was very poor with GoU absorption at 0%, and donor at 2.4%.

Physical Performance

Construction works had not started. Contracts were signed for four (4) fast tracked Lots, while negotiations for a supervising consultant for other lots were being concluded. The other 17 lines (13 Lots) were under procurement.

Challenge

The delay in the procurement process hindered project commencement.

Recommendations

- The REA should be more vigilant in following up on actions that were requested by the World Bank to expedite the procurement process.
- The REA should complete the recruitment of the required project staff who can dedicate their efforts towards project activities. The project does not have a dedicated project manager and made project implementation difficult.

The progress status of the monitored rural electrification projects under the rural electrification programme is summarized in Table 7.14.

Table 7.14: Status of Monitored Rural Electrification Schemes by 31st December, 2018

Project	Status
Schemes Under BADEA/OFID II Funding	
Buyende Ndolwa - Buyende - Kitukiro - Igwaya – Iyingo Project	Scheme was grouped into sections A, B and C. Section A works were completed awaiting installation of 25 transformers. The HV length is 72km. Works for sections A and B were complete and awaiting commissioning. Stringing works were ongoing in section C. 45 transformers will be installed in section C over HV length of 100km.
Kamuli Kiyunga-Nawantale-Kakunyu– Buluya-Bugulusi	All pole erection was done. Stringing was ongoing. 12 transformers are to be installed.
Nakiwulo and environments	Scheme was completed and awaiting transformer installation.7 transformers are to be installed.
Lambala –Lulyambuzi – Wankole – Bupadhengo Project	Scheme was completed awaiting commissioning. 16 transformers were installed and 22km of HV were constructed. Villages that benefited include Lulyambuzi, Kasanda, Nawangoma, Kiduwa, Nakulabye and Buwala among others.
Schemes Under IDB I Funding	
Moroto Moroto - Lorengedwat	Pegging, Pit excavation was ongoing. Pole erection had just started. The HV length for the scheme is 26Km.
Moroto – Katikekile, Moroto Cement Factory	Construction works had not yet started.

Nakapiripirit/Nabilatuk Nakapiripirit - Nabilatuk	Pit excavation and pole erection were ongoing. It will benefit the areas of Lonukaf, Loputuku, Kamongole, Katanga as well as Nakapiripirit Technical Institute.
Namalu tee-offs	Construction works had not yet started.
Amudat Amudat District HQ's and Environs	Site line clearance and pegging were completed. Construction works yet to start. Scheme is 25.9Km of HV and 5.94Km of LV.
Schemes Under IDB II Funding	
Lot 3A	
Tororo Mudodo Village	HV pole erection was complete. LV pole erection was at 90. HV pole dressing was ongoing. HV length is 5.82km and 6 transformers to be installed.
Musukire and P'otela in Rubongi Sub county	LV pole erection was complete for the transformer tee-off at Rubongi sub-county headquarters. For tee-off at Musukire, HV pole erection has been completed. LV pole erection is yet to be done. 4 transformers are to be installed.
Agola, Soko Market, Mwello Trading center	HV pole erection for Agola is complete and LV pole erection is at 90% whereas construction works for Soko market and Mwello trading center had not started.
Katerema-Kagwara-Magaro	Pit excavation and pole erection were ongoing
Siwa-Namwanga-Luginga-Pangweki	Pole erection was ongoing. However, project implementation was affected by delay in delivery of poles.
Soroti Ameni Parish.	Scheme had not yet started.
Lot 3B	
Kyenjojo Mpunda, Kyakunta and Kirongo	Pole erection was complete. 4 transformers are to be installed and HV length is 7km
Busanza-Nyabuharwa-Mukabayi	Pole erection was ongoing.
Kabarole Mabale and Mugusu Villages	HV and LV pole erection was completed. 6 transformers will be installed at Mabale, Kyabaranga, Jumanyanja, Karongo, Bushasha and Kabirizi villages.

Kijenga Village	HV pole erection was at 95%. LV pole erection was completed. Schemes consists of 4 transformers.
Ibanda Ishogororo-Kakindo	All pole erection was completed awaiting stringing. 2 transformers will be Kakindo I and II trading centers.
Bihanga - Kitoro and Mukitoro	Pole erection was completed awaiting stringing of the 3.6km of HV. 3 transformers will be installed at Kitoro and Mukitoro villages.
Kasaka - Kihangere - Myirime - Muziza - Katengyeto and Mushunga	Scheme consists of 3 tee-offs; tee-off to Mushunga, Kasaka-Muziza tee-offs and the tee-off to Katengyeto. Pole erection works for tee-off to Mushunga was ongoing whereas works the other 2 tee-off was yet to start.
Omukarere - Kabale and Kagango	All pole erection was completed. 6 transformers will be installed in the villages of Omukarere, Kabale, Kehiho, Waporotura and Kagango.
Mbarara Nyantungu-Rwamuhingi-Nyamiriro-Rukanja trading center in Rubindi	LV pole erection was completed. HV pole erection was ongoing. Scheme consists of 10 transformers.
Bukiro additions (Rwanyamahembe – Nyakayojo – Kakyerere Cell)	LV pole erection was completed. HV pole erection was ongoing at 65%. Scheme is 23km of HV and 20 transformers were to be installed. However, there was a delay in implementation of project due to delay in delivery of poles.
Nyabugando - Nshozi - Rwentondo	LV pole erection was completed. HV pole erection was nearing completion with progress at 95%.
Mitooma Bitereko Sub county headquarters – Kalisizo	All pole erection was done awaiting stringing of 5km of HV and installation of 5 transformers.
Akisemiti-Oruyuta-Rwetaramo-Kirera and Nyakatete	HV pole erection was completed. LV pole erection was at 50%. 7 transformers will be installed.
Katenga-Nyaruzinga	HV and LV pole erection were at 70% and 50% respectively. 8 transformers will be installed to benefit the villages of Omukabira, Rutaka, Nyakasharara, Omukayanga, Kayanga, Ngomba and Nyaruzinga.
Rukungiri Keitumura Cell	Pole erection was at 95%.

Buyanja Environments	LV pole erection was completed. HV pole erection was at 90%.
Nyarushanje Sub county areas	Pole erection was ongoing. Scheme consists of 15km HV, 7km of LV and 13 transformers.
Nyakishenyi Environments	HV pole erection was at 25%. LV pole erection was yet to start.
Kyamakanda areas	All pole erection was at 95%.
Kabale Nyamasiizi-Nyakanengo-Kashonga	LV pole erection had just started. HV pole erection was yet to start.
Ikumba-Bulimbe-Nyamabaale	Pole erection was at 70%.
Kyasano and Rutundwe Villages	Scheme is 600 meters of HV. HV pole erection was complete and LV pole erection was at 50%. 1 transformer will be installed.
Bucundura and Rugoma trading centers.	Pole erection was at 35%.
NARO Kabale – Kagarama I – Kagarama II – Hakakomo	Scheme had just started and pit excavation was ongoing.
Nyabugando and Akenyanya Trading Centers	HV pole erection was completed. LV pole erection was at 60%.
Schemes Under IDB III Funding	
Lot 1	
Kabarole Nyasozi, Bukolekore, Kabahango	HV pole erection was completed. LV pole erection and HV stringing were ongoing. 6 transformers were to be installed and scheme consists of 6.5 km of HV
Kitumba Cell, Karumanga, Kateebwa SDA	HV pole erection was completed. LV pole erection was ongoing. HV stringing was ongoing for the 6km of HV and 6 transformers.
Kabale Kacwekano-Kakomo trading center-Kabira-Bukoora-Hamuganda-Habushasha	HV pole erection was ongoing. LV erection had not yet started. 6 transformers were to be installed and scheme is 10.5km of HV.
Bugongi,Akahatojo-Kabimbiri-Habitoma-Kaharo-Nyakahita Kanjoba TC-Kamunyogwire-Maziba tech institute Kandago-Nyamishenyi-Rwenshakara Nabitembe,Nturagye-	Pole excavation and pole erection had just commenced.

Hamushenyi,Kibanga,Kisegwe,Bacungi	
Hoima Kihemba – Kanenakubira John Baptist and Nyatale Primary Schools	Pole erection was ongoing.
Bundibugyo Bussu TC, Bussu Church, Bussu 2, Kasili TC	Scheme had not yet started.
Kasese Busunga Village and Water Pump – Nzirambi Orphanage – Queen's Elizabeth info. Centre – Hamukungu Maliba Youth Centre, St. Luke COU, Maliba Village	Schemes had not commenced.
Lot 2	
Gulu Wii-Layibi Village, Palenga-Aywee trading center, Atoo Radar Hill	Surveying was completed awaiting design approval.
Lira Ogur-Okwer-Barlonyo-Abala	HV Pole erection for Ogur-Okwer was completed and LV pole erection ongoing. The HV length for Ogur-Okwer tee-off is 9km and 5 transformers will be installed. For the Barlonyo-Abala tee-off, HV and LV pole erection were at 80% and 20% respectively. Tee-off is 13km long and 4 transformers were to be installed.
Agweng Trading center-Angolocom	Pole erection was ongoing at 95%. 13 transformers were to be installed.
Punu Oluru-Olaha-Skyland School with tee-off to Adwoa and Amuca trading center	HV pole erection is complete. LV pole erection is at 80%. The tee-off to Adwoa and Amuca trading centers is 3km long and 3 transformers will be installed at Amuca Village and Legacy Primary School.
Amolatar Achengryen-Ayamawele-Cegwen-Abeja Landing Site	Scheme includes 28km of HV and 9 transformers. Pole erection was ongoing at 90%.
Namasale-Biko HC	HV Pole erection was completed and LV pole erection ongoing. 10 transformers will be installed.

Kitgum Tumangu Nodding Health Center	Surveying had just been completed.
Lot 3	
Kamwenge Kiyagala-Kyakarafu	All pole erection was completed. Stringing was ongoing. Scheme is 28km of HV and 10 transformers are to be installed.
Bisozi-Kateebe	All pole erection was completed and stringing wasongoing. Scheme will benefit the villages of Bisozi, Bihanga, Kabingo, Kateebe and Rwensikisa.
Rwenshama-Damasco	Pole erection was completed awaiting stringing. Scheme consists of 9km and 3 transformers.
Buikwe Namengo-Kigali	HV pole erection was at 90%. LV pole erection an HV stringing were ongoing. 6 transformers will be installed in the villages of Luyanzi, Kitutu, Kiteredde, Kissu, Kiteza, Nsenya, Namaliga and Kigali.
Kikkati-Kisoga	Pole erection was ongoing.
Nsavu	HV pole erection was done. LV pole erection yet to start. 1 transformer to be installed.
Najja-Bulama-Wakwale-Mpogo	HV pole erection was at 90%. HV length for scheme is 7km and 4 transformers are to be installed.
Mityana Namutamba, Seed faith Ministries, Kabungo, Kabubu, Kitemu, Sangala-Bombo.	All HV pole erection was completed. LV pole erection had not started.
Bulera, Lwamba, Kibogo, Lusanja, Kamanje,Mutetema, Kikube, Kiryokya, Kiryamuli, Kyamusisi.	All HV pole erection and HV pole dressing were completed. HV stringing was ongoing with progress at 40%. 15 transformers to be installed. LV pole erection for 4 transformer zones was completed.
Katwe	Scheme is 1 transformer tee –off of 1.2 Km HV length. HV pole erection is complete and LV pole erection has not started.
Kibuto	HV pole erection was completed. 1 transformer to be installed.
Lot 4	
Mpigi Kavule and Nakabiso	Both HV and LV pole erection were ongoing. 2 transformers are to be installed

Katwe-Kibuye	Pole erection was ongoing. Scheme is 3.6km of HV and 2 transformers are to be installed at Katwe and Kibuye trading centers.
Mugungu Trading center and environments	Pole erection was completed awaiting stringing.
Butoolo-Nsansa-Nsumba	Pole erection was completed awaiting stringing. 7 transformers will be installed.
Lot 5	
Nakaseke Nakasete-Wakyato-Nabisojjo and Butalangu Mulungiomu - Mbukiro Lule Trading Centre, Komamboga Zone, Kikondo T/C, Nsaka Village Kubah Petro Station, Nabisojjo, Bugogo, Kiyina, Butalangu Offices	Surveying was completed. Project awaited design approval from REA.
Kiboga Kateera-Mukati-Jokero-Muwanga	HV Pole erection was completed and LV pole erection ongoing. Scheme consists of 9km and 8.8km of HV and LV line length respectively. 5 transformers will be installed.
Kitutumura and Lunnya, Bamusuuta, Lwamata Upper and Lower Kiwawu TC	All pole erection was done. Stringing yet to begin. 3 transformers are to be installed.
Kikooba Community in Mataagi	Both HV and LV Pole pit excavation and erection wasongoing. It consists 6km of HV and 6 transformers are to be installed.
Bukomero-Bugabo-Dwaniro-Kyamukwenya	Schemes consists of 57.5km of HV and 11 transformers. Both HV and LV pole erection was ongoing. However, there is need to consider installing transformers and extending the LV network to connect trading centers along the HV Line that had not been included in the original scope.
Luwero Nakusubyaki Trading Center, Kidukulu Semyungu I&II Trading Centers, Buligwe, Kyamuwooya, Makulibita and	Surveying was completed. Construction works were yet to start.

Bwetyaba Villages Makulibita Seed SS, Waluleta Trading Center, Bakijulura Trading Center Kasozi Health Centre III, Bukekete Trading Center	
Kyankwazi Kyenda-Byerima	HV pole erection was ongoing. Scheme is 25km long and 6 transformers are to be installed.
Katanabirwa-Ntunda	All pole erection was completed awaiting conductor stringing. Scheme consists of 10 transformers and 33km of HV.
Lot 6	
Ngora Akisim trading center and Environs & Agiu trading center	HV pole erection and LV excavation was ongoing
Mukura-Komolokima-Olekai, Koloin TC	Scheme had not yet started.
Serere Kyere-Kamusala-Inningo-Kateta	Pole erection was at 85%. HV length is 18.7km and 9 transformers are to be installed.
Alungar-Atamaisi-Juba-Abuket	Pole erection was at 90%. HV length is 25km and 12 transformers were to be installed
Soroti Omodoi tee off	HV length is 15km. Pole erection was at 90%.
Mayuge Wakalendo, Kyebando, Lwerere, Nkombe, Kitovu	Pole erection was at 60%.
Bufulubi-Kabale	HV and pole erection were 95% and 60% respectively. 2 transformers to be installed.
Nondwe-Bukose-Kasozi-Bunalwenyi	HV pole erection was completed. LV pole erection was at 75%. 3 transformers to be installed.
Igamba Ward, Baliita trading center	Pole erection was ongoing.

<table>
<tr><td>Mbale
Lwagoli Trading Centre, Buwalasi and Lwaboba Lower
Mbale CRO Stadium
Bubetsye and Nyanya Villages, Bufukula HC II</td><td rowspan="2">Schemes had not yet started.</td></tr>
<tr><td>Manafa
Sisuni Village and environments
Mutongo – Sibanga – Namirama</td></tr>
<tr><td>Bukedea
Kosire trading center,Kidongole trading center-Nalubaga,Nangaiza, Manfara</td><td rowspan="4">Schemes had not yet started.</td></tr>
<tr><td>Kumi
Mukongoro-Ocaapa-Oladot,Kadami</td></tr>
<tr><td>Namayingo
Bumooli – Buswale – Mukorobi
Tanganyika – Mawa – Nanjala and Buloha
Buyongo Primary School
Lufudu – Simase - Nakodi</td></tr>
<tr><td>Bugiri
Kimbale TC, Mifumi PS, Kyemeire HC III, Budhaya HC II
Nankoma Trading Centre
Jinja
Nailinaibi – Kinabirye – Ntianda</td></tr>
</table>

Source: Field Findings

Overall Performance of the Rural Electrification Programme

The programme performance was good at 74.1% (Table 7.15). Absorption of funds by the programme was poor at 34.5%. Schemes under French Development Agency (AFD) were completed in FY2017/18 and were now under Defects Liability Period monitoring. The poor performance was contributed to by the delay in implementation of sub-programmes IDB I which started this financial year after long delays and ERT III which is still under procurement and no construction works had not started.

Table 7.15: Performance of the Rural Electrification Programme as at 31st December 2018

	Output	Annual Budget ((Bn Ug shs)	Cum. Receipt ((Ug Bn shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Sub-programme 1262: Rural Electrification Project	Construction of Rural Electrification Schemes	117	93	207.34	2257.04	52.75	1,217.65 Km of medium voltage and 1,039.39 Km of Low Voltage lines were constructed. Most projects under AFD funding were completed. Most works under IDB II funding for both Lot 3a and Lot 3b in northern, western and south western areas had begun and were under pole erection. Most Works under IDB III funding which are being done country wide for Lots 1, 2, 3, 4, 5 and 6 were also under pole erection. Lot 3 works in Luwero and Nakaseke were yet to begin while most schemes Under BADEA/OFID II Funding in Kamuli and Buyende completed and awaiting commissioning.
Sub-programme 1354 Grid Rural Electrification Project IDB I -	Construction of Rural Electrificat	83	45	194.22	106.84	21.40	Construction works in Karamoja in the districts of Moroto, Nakapiripirit,

Rural Electrification	ion Schemes						Amudat, Nabilatuk, Kotido and Kaabong commenced. Pegging, Pit excavation and pole erection was ongoing for both Lot 3 and 4.
Sub-programme 1428 Energy for Rural Transformation (ERT) Phase III	Construction of Rural Electrification Schemes	99	52	249.04	0.00	0.00	Procurement was ongoing. Contracts for Lots 1 and 2 were signed. Lot 3 for West Nile and Moyo was under review of the engineering design.
Programme Performance (Outputs)						**74.15**	**This is good performance**

Source: Field findings

L-R: A completed scheme at Lulyambuzi Health Center III in Kamuli District; Partially completed grid extension scheme in Kiryokya, Mityana District

L-R: Ongoing erection of concrete poles in Lorengdwat-Moroto under IDB I funding, Grid extension

Challenges

i) The slow pace of procurement within the sector continues to affect the performance. Several projects under REA had not commenced due to delayed procurement.
ii) Delay in delivery of project materials such as poles hindered construction works in some project areas.
iii) The rate of rural electrification still remains low due to the high upfront costs of connection.

Recommendations

iv) The REA should enhance staffing levels for project implementation, and ensure better follow up of the required processes necessary to conclude project activities.
v) The REA should support the various contractors to ensure more timely delivery of the required site materials.
vi) The GoU through the REA should continue to implement more initiatives and subsides for connection costs such as the Free Connection Policy to attract more connection to the grid by the rural communities.

Overall Vote Performance

Overall performance of the Rural Electrification Programme was good at 74.1%. The budget for the vote for FY2018/19 is Ug shs 683.164 billion 55.8% of the vote budget was released by 31st December 2018. Absorption of the released funds was poor at 34.5% due to delay in project commencement. Schemes under AFD funding were completed and under Defects Liability Period monitoring.

Conclusion

The overall performance of the sector was fair at 65.8%. There was a decline in performance compared to the performance of the sector at the end of the previous FY. The only good performing programme was the Large Hydro Infrastructure Programme at 70.5%. Other programmes monitored performed fairly (table 7.16)

The key constraints that negatively affected the sector programmes were; the difficulty in acquisition of wayleaves, delayed conclusion of procurement, inadequate staffing levels, and failure to prioritize funding to key sector areas.

CHAPTER 8: HEALTH

8.1 Introduction

The health of the Ugandan population is central to the socio-economic transformation of the country. It is identified as a key priority in the medium term of the second National Development Plan (NDPII); and contributes to the third objective of the plan *'to enhance human capital development'*.

Over the last two decades, the Government of Uganda has increased access to health services through various programs and projects including investment in health infrastructure,medicines and other healthsupplies; and Human Resource Development. This translated into improved health outcomes. Uganda for instance recorded a decline in infant mortality from 54 in 2011 to 43 deaths per 1,000 live births in 2016. The under-five child mortality declined from 90 to 64 deaths per 1,000 live births. Maternal mortality has also declined from 438 in 2011 to 368 deaths per 100,000 births in 2016 respectively. The fertility rate also declined from an average of 6.2 to 5.4 children per woman (UDHS 2016).

8.1.1 Sector Priorities 2018-19

- Mobilizing sufficient financial resources to fund the health sector programmes while ensuring equity, efficiency, transparency and mutual accountability.
- Addressing Human resource challenges in the sector (attraction, motivation, retention, training and development).
- Improvement of Reproductive, Maternal, Neonatal, Child and Adolescent health services to reduce on mortality and morbidity and improve their health status.
- Scaling up interventions to address the high burden of HIV/TB, Malaria, Nutritional Challenges, Environmental Sanitation and Hygiene, Immunization, Hepatitis B and Non Communicable Diseases by utilizing CHEWs.
- Improving Primary Health Care (functionalizing lower level health facilities, providing adequate resources for operations and non-wage functions, linking communities to health facilities using the CHEWs and encouraging them to use the services available.
- Reduction of Referrals abroad by (a) training, recruitment and motivation of specialists & other staff, and (b) Improvement of health infrastructure and acquisition of specialized equipment and medicines)
- Enhancing blood collection by the Uganda Blood Transfusion Services by addressing staffing levels, funding gap and support by the Uganda Red Cross to mobilize communities.
- Control/preparedness for disease outbreaks including surveillance
- Improving health infrastructure with the key focus on Lower Level Health Facilities especially HCIII's and some General Hospitals. Focus on functionality of existing health facility and infrastructural development by constructing and equipping health facilities in accordance with the policy guidelines.

- Enhance Health education to ensuring that communities, households and individuals are empowered to play their role and take responsibility for their own health and well-being and to participate actively in the management of their local health services.
- Strengthening collaboration between the Health sector, Government Ministries and departments and various Public and Private Institutions dealing with health and health related issues.
- Effective and well-structured Support Supervision to the Local Governments harmonized with the Regulatory Authorities including the Professional Councils and based on the six building blocks of Health (Governance, Finance, Information systems, Pharmaceuticals, Human resources and infrastructure)

8.1.2 Sector Votes

The health sector is comprised of 25 votes, which contribute towards achievement of sector priorities and overarching outcomes. These are: Ministry of Health (Vote 014); National Medical Stores (Vote 116); Uganda Cancer Institute (Vote 114); Uganda Heart Institute (Vote 115); Uganda Blood Transfusion Service (Vote 151); Uganda Aids Commission (Vote 107); Kampala Capital City Authority (Vote 122) and Health Service Commission (Vote 134); Uganda Virus Research Institute (Vote 304). Others are; Mulago and Butabika National Referral Hospitals (Votes 161 to 162 respectively); Fourteen Regional Referral Hospitals (Votes 163 – 176)[30]and all local governments (Vote 501-850).

8.1.3 Overall Sector Performance

Overall sector performance **was below average at 45%** achievement of semi-annual planned outputs against 76% absorption of funds. Largely, funds absorption was greater that achievement of the planned outputs except for the Uganda Heart Institute. This was partly due to some recurrent expenditures made (such as on allowances) during the procurement/implementation of some activities that had not been delivered.

The votes that fairly performed against absorption of the released funds included: Butabika at 68% against 83%; Uganda Heart Institute at 65% against 61%, Ministry of Health at 60% against 74%; and Regional Referral Hospitals at 56% against 73%. Poor performance was recorded under District Local Governments at 6% achievement of outputs; Health Service Commission at 18% against 69%, Uganda Blood Transfusion Services at 45% against 79%; and Uganda Cancer Institute at 43% against 95%.

Sector Financial Performance

The sector was allocated Ug shs 2,310.068 billion inclusive of donor funding excluding arrears, taxes, and Appropriation in Aid (AIA) in FY2018/19. This was 7.3% of the total National Budget, and a 1.3% increase in relation to last FY 2017/18. The GoU and development partners are expected to finance 54% and 46% of the budget respectively by end of the FY. By 31st December 2018, the sector had received Ug shs 7.77 billion as part of the supplementary budget

[30] Gulu, Lira, Soroti, Mbale, Naguru, Mubende,Fortportal ,Mbarara, Kabale,Jinja, Arua, Hoima,Masaka,Moroto

to its various votes. The sector-revised budget by 31st December 2018 excluding arrears was Ug shs 2,363.374 billion.

The GoU allocation was 48% wage, non-wage 38%, and 14% development budget. The sector budget was shared as follows: MoH 49%; LGs 23.3%; National Medical Stores (NMS) 12%; RRHs 5.4%; Uganda Cancer Institute 3.9% Mulago Hospital Complex 2.7%, Uganda Blood Transfusion Service (UBTS) and Kampala Capital City Authority 0.8% respectively. The rest of the votes shared the remaining 2.1%.

A total of Ug shs 1,296.871billion (54.9% of the revised budget) was released, of which Ug shs 1,062.310[31] billion (81.9%) was spent. The GoU released 50% of wage and 94.4% was spent; 56.8% of non-wage and 92.25% was spent; 67.8% of GoU development and 60.8% spent; while Development Donor was at 55.9% released and 74.9% spent.

Votes that effectively utilized the released funds were NMS at 100%, UCI at 95%, UAC at 90%, Mulago National Referral at 89%, and Butabika Hospital at 83%, while those that registered poor funds absorption included: Mbale RRH at 57%, and Uganda Virus Research Institute at 54%. The overall low absorption of funds is in part due failure to utilize the wage bill for health workers especially at the RRHs where the recruitment process was still ongoing, low financial capacity of contractors and late initiation of procurement.

8.1.3 Scope

The chapter presents semi-annual financial and physical performance of selected sector programmes and sub-programmes of 22 out 25 central government votes (88%); 39 Local Governments (LGs) that benefited from the Primary Health Care Development Grant (PHC Transition Adhoc Grant and Inter Fiscal Government Transfers). These are highlighted in Annex 8.1.

Performance by Vote

The following section presents detailed performance of the sector by votes, programmes and sub-programmes.

8.2 Ministry of Health (Vote 014)

Monitoring covered four programmes and twelve sub-programmes *(See table 3.1)*. The MoH fairly performed achieving 60% of the semi-annual outputs. The good performing sub-programmes included; Global Fund for HIV, Malaria and TB achieving 93% of the semi-annual targets. GAVI at 97%, National Disease Control at 80%, Integrative Curative Services at 87%, and Shared National Services at 75%. The fair performers under MoH included Emergency Medical Services (60%), East African Public Health Laboratories Project (60%), Regional Hospital for Pediatric Surgery (Project 1394) at 60%; Renovation and Equipping of Kayunga and Yumbe General Hospitals (Project 1344) at 57%.

[31] The 81.9% expenditure excludes the detailed expenditure at local government level

The poor performers were; Italian Support to Health Sector Development Plan (HSDP), and Peace Recovery and Development Plan (PRDP) where the Donor had not disbursed funds to complete the staff houses in Karamoja and had stalled for two years. Strengthening Capacity of Regional Referral Hospitals (Project 1519) achieved 0%. Procurement of specialized machinery for RRHs had not commenced. Detailed performance by programme and sub-programmes is presented below:

8.2.1 Health Infrastructure and Equipment (Programme 02)

Background

The programme contributes to **Inclusive and Quality Healthcare Services** through development, management of health sector infrastructure and equipment. The programme objective is to improve quality and accessibility of health infrastructure and equipment through implementation of several of sub-programmes.

During FY 2018/19, the MoH implemented nine sub-programmes. These were; Institutional Support to MoH (Project 1027); Construction of Specialized Neonatal and Maternal Unit in Mulago Hospital (Project 1315); Italian Support to HSSP and PRDP (Project 1185); Renovation and Equipping of Kayunga and Yumbe General Hospitals (Project 1344); Construction and Equipping of the International Specialized Hospital of Uganda (Project 1393); Regional Hospital for Pediatric Surgery (Project 1394). Others were; Support to Mulago Hospital Rehabilitation (Project 1187); Strengthening Capacity of Regional Referral Hospitals (Project 1519); Uganda Reproductive Maternal and Child Health Services Improvement Project (1440). Semi-Annual Monitoring focused on five out of nine (56%) sub-programmes (*Refer to table Annex 8.1*). Detailed programme performance is highlighted hereafter.

Performance

8.2.1.2 Institutional Support to Ministry of Health (MoH) - Project 1027

Background

This is a retooling project of MoH whose main objective is to undertake partial repairs and maintenance of the MoH building, procure equipment including ICT, transport, office furniture; in addition to development of strategic plans for various health institutions.

In FY 2018/19, the project was allocated Ug shs 12 billion, of which Ug shs 2.3 billion (19%) was released and Ug shs 2.1billion (89%) spent by 31st December 2018. Project expenditures included Ug shs 1.2billion (60%) transferred to NMS for procurement of medical stationery (HMIS Forms) and uniforms for health workers. Payment of Ug shs 780million (39%) to various LGs to clear outstanding obligations accumulated in the previous FYs. The funds were also used to pay for the completion of staff house at Kapchorwa Hospital.

Physical Performance

The overall project performance was poor at 37%, with most of the works under procurement. Rehabilitation of the Vector Control Unit was completed by the CARTER Centre with GoU co-funding of Ug shs 83 million. The two storey (4 units each of two bedrooms) at Kapchorwa

Hospital was substantially complete at 97% physical progress. The key pending works at the staff quarters included; installation of power meters, and final fittings. The procurement of six double cabin Pickups was approved by Ministry of Public Service on 3rd December 2018, however the procurement process had not commenced.

Renovation of Block D had not started, the MoH was finalising the Bills of Quanties (BoQs) before commencement of the procurement proccess. A total of Ug shs 1.2billion was transferred to NMS for the procurement of uniforms and medical stationery which was ongoing. Doctors were also considered in the FY2018/19 procurements. Various health facilities received uniforms and medical stationery procured during FY2017/18 upon request. Summarized performance is highlighted in Table 8.1.

Nearly complete staff house at Kapchorwa Hospital

Implementation challenges

- The MoH noted a delay in submission of information and accountabilities for funds transferred to NMS.
- Late initiation of procurement process as by end of Quarter two, specifications for machinery to be procured and BoQs for the civil works had not been finalized.

Recommendations

- The NMS Project Manager should ensure timely initiation of procurement processes to avoid delays in project implementation.
- The MFPED should release funds for medical stationery and uniforms directly to NMS. Accountabilities should be sent directly to MFPED.

8.2.1.3 Italian Support to Health Sector Development Plan (HSDP) and Peace Recovery and Development Plan (PRDP)-Sub Programme 1185

Background

The first phase of project consisted of construction of 34 blocks of 2 bedroomed semidetached Staff Houses for 68 Staff at Health Centre IIIs in Karamoja sub region. M/S Zhonghao Overseas Construction Engineering Co. Ltd was awarded the contract to undertake the works and was supervised by M/S Joadah Consult Ltd. The entire project contract sum was US$ 5,592,885.18 (18% VAT Inclusive). Works commenced on 20th June 2016 and were expected to be completed by 12th December 2017. Beneficiary districts include Kaabong (3 No.), Kotido (8 No.), Abim (5 No.), Moroto (3 No.), Napak (7 No.), Amudat (4 No.) and Nakapiripirit (4 No.).

Physical performance

Project performance was poor with only 0.25% of the semi-annual targets achieved. The contractor had abandoned sites by close of FY 2016/17 due to financial constraints and had not yet resumed work. The MoH undertook stakeholder consultation meetings in preparation for start of phase II. No civil works had been undertaken since FY 2016/17, and the partially completed structures at Nyakea HCIII had started developing cracks. Summarized performance is highlighted in Table 3.1**.**

L-R: Abandoned Nyakea HCIII staff quarters in Abim District, and Loroo HCIII staff quarters in Amudat District

8.2.1.4 Renovation and Equipping of Kayunga and Yumbe General Hospitals (Project 1344)

Background

The main project objective was to deliver the Uganda National Minimum Health Care Package (UNMHCP), through improvement of health infrastructure at the two hospitals that had been dilapidated. Expected project outputs are: Hospitals buildings rehabilitated; medical equipment procured and installed as well as staff houses constructed.

The project total cost is US$ 41,050,000; funded by Arab Bank for Economic Development in Africa (BADEA) at US$ 7 million, Saudi Fund for Development-(SFD) at US$ 15 million, OPEC Fund for International Development (OFID) at US$ 15 million; and GoU at US$ 4.05

million. The loan was acquired in 2014 and its effectiveness began on 16 April 2015. It was initially expected to end on 28th February 2020; however, it was revised to 30th June 2021.

The project interventions fall under four broad components as follows: Component I: Civil Works; Component II: Consultancy Services; Component III: Medical Equipment and Furniture; Component IV: Project Management and Administration

The contract for construction works at Kayunga Hospital-Lot 1 was awarded to M/s Ahmed Osman Ahmed and Company at US$ 16,670,711.22. Yumbe Hospital (Lot 2) was awarded to M/s Sadeem Al-Kuwait General Trading and Contracting Company at US$ 18,601,958.21. The two contracts were signed on 5th January 2018. The contract for design and supervision for the rehabilitation and expansion of Kayunga and Yumbe Hospital was signed on 6th June 2016 with M/S Dar Engineering in association with Joadah Consult Ltd.

Performance

Cumulatively, development partners disbursed a total of US$ 7.672 (21%), 79% of the funds had not been disbursed. The GoU allocated Ug shs 15billion, of which Ug shs 7billion was released and Ug shs 6.4billion spent. In FY 2018/19, the project was allocated Ug shs 7.4 billion (Ug shs 50%) of which Ug shs 3.5 billion was released and 87% spent.

Physical progress averaged at 30%, with Kayunga at 37% and Yumbe at 23%. Generally, works at Kayunga were on schedule and, the following was achieved by February 2019: Main Building 51%; Patient wards at 50%; OPD block at 40%; Incinerator 22%; Power house at 50%, Attendants kitchen at 26%; Staff houses at 50%, and external works at 35% among others.

Physical progress at Yumbe Hospital as at 15th January 2019 was 24.5% against the planned progress of 26.5%. Construction of the doctor's houses was at ring beam level, while rehabilitation works for staff houses was in advanced stages. The rehabilitation works included construction of new floors with terrazzo, electrical and mechanical works, and ceiling with gypsum boards, new doors and conversion of servant quarters into standalone units. The construction of medical buildings, new staff quarters were at different levels of completion. Generally, works at Yumbe were three weeks behind schedule. This was partly due to difficulty in access to materials and the Christmas break. Detailed project performance is indicated in Table 3.1.

Medical Equipment & Medical Furniture is expected to include: Assorted medical equipment for the two hospitals; Two (2) ambulance vehicles; one for each hospital; Two (2) Mini- Buses; one for each hospital; Two (2) double cabin pick up vehicles; one for each hospital; Two (2) double cabin vehicle and office equipment and furniture for the Project Management Unit. Only two, out nine items were procured and delivered in 2017. These were; two motor vehicles, office equipment and furniture. Procurement of assorted medical equipment had not yet commenced by 31st December 2018.

Clockwise: Senior staff house under construction, renovated Dr's House, Main medical building and OPD at Yumbe Hospital

Implementation challenges

- Failure to hand over the entire project area at Kayunga Hospital with part of the OPD and entire administration not handed over.
- Inadequate skilled labor in Yumbe Dsitrict amidst demands from district leaders and community to use unskilled local labour thus affecting progress.
- Delayed payments to the contractor due to the high bureaucratic tendencies in approving payments.
- Long haulage distances for Yumbe: Most of the materials used at the site, except sand are obtained from Kampala.

Recommendations

- The MoH should support the administration of Kayunga Hospital to relocate OPD services to enable timely execution of works in the mentioned facilities.
- The MoH and MFPED should expedite payments to the contractors to ensure smooth cash flows and avoid project implementation delays.

8.2.1.5 Rehabilitation and Construction of General Hospitals (Project 1243)-Kawolo and Busolwe Hospitals

Background

The project is funded by the Uganda-Spanish Debt Swap Grant fund. The overall project objective is to contribute to the delivery of the Uganda National Minimum Health Care Package (UNMHCP) through refurbishment, expansion and equipping of Kawolo and Busolwe hospitals.

The project is also expected to contribute towards staff motivation and retention through improvement, and provision of staff housing; improvement of accident and emergency services through provision of a new casualty ward with an emergency theatre, construction of the mortuary with a nine capacity body fridge; an ambulance; and improvement of reproductive health services among others.

The contract to undertake works at Kawolo was signed between GoU and M/s EXCEL Construction Company on 30th March 2017 and works commenced on 26th May 2017, for a period of 18 months (up to 11th January, 2019). The contract sum for works was US$ 10,865,849.14 and supervision by M/S Ingenieria de Espana S.A, SME M.P was at Euros 11,884,379.70.

Performance

The overall project performance was fair at 57%. The Bi-National Committee had not yet approved works to be undertaken at Busolwe Hospital awaiting completion of Kawolo Hospital and designs for Busolwe Hospital. The consultant had completed site survey for Busolwe Hospital and the report was yet to be presented to MoH and the Development Partner. Thus by 31st December 2018, the allocation of US$ 6million remained utilized.

Civil works at Kawolo Hospital had progressed, achieving 90%, while procurement of medical equipment achieved only 10%. Some parts of the hospital were handed over and were in use. These were; New OPD, New Accident and Emergency Unit, Antenatal Ward, canteen, ART Clinic, Male Ward, Pediatric Ward, Female Ward, Maternity, Isolation Ward, laundry, attendant's kitchen, mortuary, Four-VIP Toilets, medical pit and placenta pit and a four-unit staff house. Pending activities included; final finishes on the theatre block, Private Ward, Old OPD, placenta pit, incinerator, stores and sinking two boreholes. The project completion date was revised to 26th April 2019.

The project had registered variations amounting to Euros 158,427.063; these resulted from hiring an additional consultant on the consultancy team costing approximately Euros 13,000; demolition and replacement of the septic tank Euros 3,832.20, incinerator US$ 50,000, and incinerator house Euros 346.87, retaining wall behind new OPD at Euros 90,342.05 among others. All these costs were covered under the Project Contingence Fund. Detailed project performance is indicated in Table 8.1.


L-R: The completed mortuary; and the Female Ward already in use at Kawolo Hospital

Intermediate outcomes

- Motivation of staff due to clean and bigger working space offering enough sitting area, triage, confidentiality to patients leading to effective consultation and treatment.
- Introduction and expansion of new services due to construction of the Accident and Emergency Block.
- Increased admission numbers due to willingness of patients to be admitted.
- Attraction of private wing patients.
- Increased access to maternal and child health services with over 450 mothers delivering from the facility on a monthly basis.

Implementation Challenges

- Delayed commencement of civil works at Busolwe General Hospital due to limited funds. A visit at the hospital indicated constrained service delivery with lack of running water in the entire facility.
- Lack of adequate operation and maintenance plans for the facility.
- High utility bills; that increased from Ug shs 800,000 to Ug shs 1.2million per month and from Ug shs 1,200,000 to Ug shs 7,300,000 per month for water and electricity respectively.
- Selective rehabilitation of the hospital with administration and staff houses for critical staff left out in the project implementation plan. This left some staff unsatisfied since 68% were not accommodated at the facility.
- Lack of adequate staff such as nurses, IT personnel, Biomedical Engineer, and plumbers among others.

Recommendations

- The National Steering Committee should approve commencement of some works at Busolwe Hospital within the available funds.

- The administrators of Kawolo Hospital should prepare clear budgets on maintenance and operations of the hospital before finalization and project handover to assist in planning and budgeting.
- The Project Manager and Hospital administration should devise water and energy saving options.
- The Government should increase funding to Kawolo Hospital to cater for the increased cost of utilites (power and water) as a result of the hospital expansion and acquisition of equipment.

8.2.1.6 The Regional Hospital for Pediatric Surgery (Project 1394)

Background

The agreement between Government of Uganda (GoU) and a Non-Governmental Organization EMERGENCY Life Support to Civilian War Victims was signed on 18th December 2018 to establish a Regional Centre of Excellence in Pediatric Surgery.

The network of the African health ministers who are part of the African Network of Medical Excellence conceived the project. The hospital will be the second network structure after the Salam Centre for Cardiac Surgery in Khartoum, Sudan. It is expected to contribute to both **inclusive and quality health care services** as well as **competitive health care Centers of Excellence** sector outcomes.

It is also referred to as the Emergency Hospital and will provide free medical care for children with surgical needs excluding cardiac surgery both in Uganda and all over Africa. It will be reference point for Ugandan patients, and will provide training to medical officers in pediatric surgical procedures.

The project is funded by EMERGENCY (an Italian Non-governmental organization (30%) and GoU (20%). The two entities agreed to jointly source 50% of the project costs from major donors to cover all phases (design, construction and operation).

The financing Agreement was signed on 18th December 2018. The total project budget is Ug shs 117.9billion, of which Ug shs 90.5billion are project related costs and Ug shs 27.4billion are estimated tax costs. In FY 2018/19, the project was allocated Ug shs 1 billion, of which Ug shs 500 million was released and Ug shs 498 billion spent by 31st December 2018. Funds were paid to EMMERGENCY for works executed; an additional Ug shs 1.5billion was reallocated from Kayunga-Yumbe Project to the EMERGENCY project as a payback for funds borrowed during FY 2017/18.

Physical Performance

The overall project performance was fair at 60%. The structure was roofed, rammed earth wall completed. Internal finishes, mechanical and electrical installations were ongoing. Development of equipment specifications had commenced and EMERGENCY was sourcing suppliers of various types of equipment. Summarised project performance is highlighted in Table 8.1.

Ongoing works at the Regional Pediatric Surgery Hospital in Entebbe

Challenges

- Financing Gap of 11%; the GoU registered slow progress at implementation of the clause on 50% co-funding stipulated in the Memorandum of Understanding (MoU). EMERGENCY had already sourced 39% of the required funds.
- Delays in commencement of the equipment procurement process.

Recommendations

- The MFPED and MoH should mobilize resources to meet the 11% funding gap to avoid project delays.
- EMERGENCY should expedite development of specifications to allow timely procurement, delivery, installation and use of equipment. These processes should be in tandem with work schedule submitted to both MFPED and MoH.

8.2.1.7 Specialized Neonatal and Maternal Unit Mulago Hospital (Project 1315)

Background

Construction of the hospital commenced in February 2014 and was officially handed over to GoU in October 2017. The Defects Liability Period commenced in October 2018 and was expected to last 12 months. The hospital commenced its operations during FY 2017/18. The GoU and Islamic Development Bank (IsDB) financed the project at a cost of US$30.72 million. Construction works were undertaken by M/s Arab Contractors (Osman Ahmed Osman & Co) and works started on 15th May, 2015 at a sum of US$ 24,460,004.99 (VAT Inclusive). M/s Joadah Consults Limited at a sum of US$ 440,350 (VAT exclusive) supervised the works.

During FY 2018/19, the project was allocated Ug shs 10.8billion, of which Ug shs 8billion was released and 100% spent on payment of taxes to Uganda Revenue Authority (URA).

Performance

The overall project performed at 98%. The construction works were at 99.9%, while equipment delivery, testing and installation was at 90%. Addendum works were completed except modifications of the IVF room, which were ongoing. The initial completion date for all addendum works, delivery and installation of equipment was September 2018, however by 10th January 2019, Achellis and Microhem Scientific had not completed their supplies.

Implementation challenges

- Outstanding contractual and tax obligations amounting to US$ 2.5million by the GoU. These included; Retention of US$ 611,500.13, Addendum works of US$ 1.3million and VAT of 669,174.44.
- Lack of a cost center for which outstanding obligations will be budgeted and paid since the project was slated to end on 31st March 2019 and exit the Public Investment Plan (PIP) during FY 2018/19.

Recommendations

- The MoH should prioritize payment of outstanding obligations to the contractor to avoid further cost overruns.
- The MoH should ensure that works in the IVF section are completed, equipment delivered, installed and tested in a timely manner.
- The Development Committee of MFPED should either extend the project for another 12 months or advise on a Cost Center where outstanding obligations will be budgeted and paid.

8.2.1.8 Strengthening Capacity of Regional Referral Hospitals (Project 1519)

Background

The project is also referred to as the DRIVE (Development Related Infrastructure Investment Vehicle). It is aimed at improving specialized care services through strengthening maintenance workshops; building capacity of bio medical engineers and clinical staff to deliver quality services through the procurement of specialized medical equipment; maintenance, supply, use of reagents and consumables.

The DRIVE is a programme of the Netherlands Enterprise Agency that was initiated in June 2015 to facilitate private investment in infrastructure projects in developing countries through concessional finance. It is willing to finance 50% of project implementation, operation and maintenance in Uganda.

The entire project sum was estimated at EUR0 46million, of which GoU is expected to finance (50%) and the 50% by DRIVE. According to the Public Investment Plan (PIP) 2018/19 to 2020/21, The GoU 50% obligation can also be funded through a loan negotiated from the Netherlands subsidized by DRIVE, thereby enabling GoU to only pay half the actual interest.

During FY 2018/19, the project was allocated Ug shs 3billion, of which Ug shs 750million was released and 0% spent by 31st December 2018.

Performance

The overall project performance was poor at 0%. The project did not achieve any planned outputs as it was not ready for implementation at the beginning of FY2018/19. Its outputs included; Strengthening maintenance workshops; development of medical equipment maintenance protocols; procurement of design and supervision consultants to train (bio) medical engineers. Others were capacity building of clinical staff; equipping the facilities with specialized medical equipment in the 18 zones located in the 14 RRHs and four General Hospitals; establishment of a testing and calibration center as well as training center for technical staff and users.

Implementation challenges

- Failure to absorb allocated funds; this is mainly because the project was not ready to start operations by 1st July 2018.
- Lack of clear targets in the Ministerial Policy Statement FY 2018/19, quarter one and two MoH performance reports under the project.

Recommendation

- The Development Committee of MFPED should strengthen the '*gate keeping role'* for admission of projects into the PIP to ensure that allocations and releases are made to projects with clear implementation plans

Table 8.1: Performance of the Health Infrastructure and Equipment Programme (MoH) by Sub-programme by 31st December 2018

Subprogrammes	Out put	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Italian Support to HSSP and PRDP	Monitoring, Supervision and Evaluation of Health Systems	120	45	4	0	0	The MoH held one meeting with stakeholders in Moroto District. No consultancy services were provided.
	Staff houses construction and rehabilitation	5,609	3,420	1	-	-	Stalled awaiting disbursements from the Italian Government.
Institutional Support to Ministry of Health	Uniforms for medical staff procured	4,000	1,000	1	-	-	Funds were transferred to NMS to procure uniforms. The procurement process was ongoing.

Subprogrammes	Out put	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
(MoH) (1027)	Medical stationery procured	1,000	250	1	-	-	Funds were transferred to NMS to procure medical stationery. Procurement was ongoing by 31st of December 2018.
	Renovation of two blocks at MoH Headquarter and vector control building undertaken. Repairs and maintenance of elevator at MOH undertaken	853	264	100%	0	0	BoQs for renovation of Block D were under development in December 2018. Procurement for works was due for commencement while the vector control building was completed with support from the Carter Centre.
	Two Vehicles for the Top Leadership (Hon. MoH and Hon. MSH (PHC) procured	720	-	100%	0	0	Clearance for six vehicles was received from MoPs on 3rd December 2018 and procurement was due to commence however, no funds were released during the first half of the FY.
	Machinery and equipment Procured	130	-	100%	1	0	No funds were released.
	Office and ICT equipment procured	55	-	100%	1	0	No funds were released.
	Furniture and fittings procured	100	-	100%	1	0	No funds were released.
	Health infrastructure in districts and Local Governments completed	1,610	785	100%	0	0	Works at the staff canteen were substantially complete and Ug shs 140million was paid. Local governments that benefited from the project were; Nakasongola, Luwero, Kayunga Mukono, Kapchorwa, for completion of civil works at

Subprogrammes	Out put	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
							various facilities.
Regional Hospital for Pediatric Surgery(1394)	Hospital Constructed, monitored and supervised	1,000	500	30%	0.6	1.07605016	The structure was roofed; the rammed earth wall was completed. Internal finishes including tiling, installation of gypsum boards, mechanical and electrical installations were on going. Pending works mainly included external works.
Renovation and Equiping of Kayunga and Yumbe General Hospitals (1344)	Kayunga and Yumbe Hospitals Rehabilitated and Constructed	43,326	9,609	75%	0.3	46.6210655	The contractor was on site and performance was 46%, against 50% target for Kayunga while Yumbe was 24.5% against 26.5%.
	Specialized Machinery & Equipment Procured	5,000	5,000	1.00	0.00	0.00	Under procurement.
	Kayunga and Yumbe Hospitals Works monitored and supervised	2,625	900	0.75	0.30	2.83	M/S Dar Engineering in association with Joadah Consult Ltd supervised the works at the Kayunga and Yumbe Hospitals.
Kawolo and Busolwe Hospital Rehabilitated	Kawolo Hospital Rehabilitated and supervised	12,952	467	1.00	80.00	13.94	The construction and equipping of Kawolo General Hospital was at 90% civil works and 24% of the equipment targets achieved. Project was behind schedule and extended to 26th April 2019. Some facilities were handed over and already in use. Minor cracks were noted in some of the structures, however, the Project manager directed the contractor to correct all the defects before finalization and handover. Works at Busolwe had not

Subprogrammes	Out put	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
							started.
Specialized Neonatal and Maternal Unit Mulago Hospital (1315)	Maternal and neonatal hospital construction undertaken	10,580	8,333	1.00	99.00	11.27	Works were under substantial completion. Equiping the facility was ongoing. It was expected to be opened up to only specialized cases at the end of FY 2018/19.
	Monitoring, supervision and evaluation of health systems	200	113	1.00	44.00	0.22	Monitoring and supervision was conducted.
	Specialized machinery and equipment procured	50	-	1.00	85.00	0.00	Rolled over activity with 90% of the equipment done.
Strengthening the capacity of RRHs	Specialized Machinery & Equipment	3,000	750	1.00	0.00	0.00	No works done.
Programme Performance outputs						**75.96**	**Good performance**

Source: Field Findings

Conclusion

Performance of the Health Infrastructure and Equipment Programme was good at 75% achievement of the semi-annual targets. However, the programme had drawbacks related to poor planning, delayed procurement and non-disbursements of funds from development partners. The Italian Government had not disbursed funds to complete staff houses in Karamoja, while MoH received funds for Strengthening Capacity of RRHs when they were not ready to implement planned activities.

Recommendations

- The MoH should prioritise planning, budgeting and submission of projects with interventions ready for implementation to avoid redundancy of committed funds.

- The MFPED, MoH should continue engaging the Italian government to disburse neccessay funds for completion of the staff houses in Karamoja.

8.2.2 Pharmaceutical and other supplies (Programme 05)

Background

The programme contributes to **Inclusive and Quality Healthcare Services** Sector Outcome. It consists of two sub-programmes with an overall objective of improving quality and accessible medicines, equipment and other health supplies. The sub-programmes are; Global Fund for AIDS, TB and Malaria (**Sub-programme 220**) and Global Alliance for Vaccine Initiative- (**Sub programme 1436**).

Performance

The programme approved budget for FY2018/19 is Ug shs 843.49 billion, of which 58.4% was released and 86.9% spent. The disbursements to GAVI was low due to the delayed conclusion of the financing/disbursement modalities between GAVI and GoU. The MoU had not been signed by 31st December 2018 and the main expenditures were GoU financed.

The programme performance was very good as 97% of the semi-annual targets were achieved. In terms of **immunization:** The vaccines' availability was about 96% at the health facilities visited. Child health days were supported in 65 districts to further immunization; vaccine fridges were delivered to districts such as Kole, Oyam, Tororo, Bugweri, Lamwo among others.

HIV interventions: The percentage of HIV-positive pregnant women who received ART during pregnancy was at 110%, while percentage of people living with HIV currently receiving antiretroviral therapy was at 117% of the semi-annual targets. The percentage of HIV-positive new and relapse TB patients on ART during TB treatment was at 106%. The test and treat policy for HIV was under implementation and the availability of most ARVs except for children (Nevirapine syrup) was at 90%.

TB interventions, Treatment success rate-all forms: The percentage of TB cases, all forms, bacteriologically confirmed plus clinically diagnosed, successfully treated was at 92%. Availability of anti-TB drugs at the health facilities was estimated at 90% availability.

Malaria interventions: A total of 21,992 bales (878,695) of Long Lasting Insecticide Treated Nets (LLITNs) were distributed and balances left for continuous distribution to especially the pregnant mothers at health facilities such as RRHs. Proportion of confirmed malaria cases that received first-line anti-malarial treatment in the community was at 84%, stocks of ACTS were about 95% availability at the health facilities. The LLITNs distribution was about 97% across the country. The combination of LLITN distribution, test and treat policy significantly reduced on the stock out of medicines. Table 3.2 provides additional information.

8.2.2.1 Global fund for AIDS, TB and Malaria (Project 220)

Background

The project is structured into three grants. **HIV Grant:** Scaling up Prevention, Care, Treatment and Health Systems Strengthening for HIV/AIDS. **Health Systems Strengthening Grant**

(HSS): Strengthening the health and community systems for quality, equitable and timely service delivery **TB Grant:** Supporting Uganda's Tuberculosis reduction strategy Malaria Grant: Support for the Introduction of Highly Effective Artemisinin-Based Combination Therapy Malaria Treatment**.**

Performance

The GoU allocated Ug shs 4.28 billion, of which Ug shs 2.28 billion (53.3%) was released and Ug shs 1.78 (77.9%) spent. The sub-programme averaged at 93% of the planned targets. Artemisinin- based Combination Therapy (ACTs), Anti-Retroviral therapy (ARVs), Anti-Tuberculosis drugs, Long Lasting Insecticide Treated Nets (LLIN), Safety Boxes, lab supplies, condoms, Contrimoxazole, and one film van were procured to support the Behavioral Change and Communications intervention.

The additional two vans were still under procurement at bid submission stage, while the condom vending machines were scheduled for procurement in the second half of the FY2018/19. The construction of the Warehouse in Kajjansi was at 52% physical progress. Additional information presented in Table 8.2.

8.2.2.2 Global Alliance for Vaccine Initiative (Project 1436)

Background

The second phase of the GAVI grant is aimed at addressing among others; - a) Weak Exapanded Programme for Immunisation (EPI), Support Supervision coupled with inadequate outreaches: Nonexistent micro plans in some districts. b) Inadequate cold storage capacity at District Vaccine Stores (DVS) and health facilities to accommodate traditional and new vaccines by 2020 (12% of the 112 district vaccine stores, and 35% of health facilities have inadequate cold storage capacity against 2020 needs and more capacity gaps expected with the more vaccine introduction). c) Transport challenges affecting distribution of vaccines and other essential medical commodities especially within districts, including hard-to-reach areas

Performance

The sub-programme performance was very good at 97%. The sub-programme was allocated Ug shs 12.86 billion, of which Ug shs 12.83 billion was released and Ug shs 11.24 billion spent. The Project transferred Ug shs 12.6 billion to UNICEF for procurement of vaccines including; BCG, Measles, and Oral Polio, DTP-HepB-Hib. The availability of vaccines was approximately at 95% availability.

There were some observed stock outs lasting between one to two months particularly for Measles, Rota and BCG during the first half of the year. This partly led to outbreaks in most parts of the country in districts such as Zombo, Tororo, and Maracha. The sub-programme also provided cash grant for the Integrated Child Health Days (ICHD) for 65 districts in Uganda. The World Bank and UNICEF were to fund ICHD for the other districts.

The sub-programme also delivered vaccine refrigerators procured in FY 2017/18 to selected health facilities in some LGs. For instance, four solar fridges for Lamwo; six fridges for Tororo, while Bugweri, Kole, and Oyam received three fridges respectively. The other works such as construction of 30 districts vaccine stores, procurement of 57 vehicles had not commenced pending finalization of the discussions about funding modalities upon which disbursements will be made.

Table 8.2: Performance of Pharmaceutical and other Supplies as at 31st December 2018

	Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target (%)	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
	GoU Support to Global Fund made	4,275	1,775	100	35	0.74	Funds were used for procurement of medicines, payment of contract staff; while Ug shs 100m was transferred to partner institutions such as Uganda AIDS Commission, among others.
HIV Grant	Human Resources (HR) delivered	414	247	100	55	0.08	Staff undertook operational activities such project execution, monitoring and supervision.
	Travel related costs (TRC) done	3,269	2,410	100	73	0.67	
	External Professional services (EPS) hired	1,735	974	100	55	0.35	
	Health Products - Pharmaceutical Products (HPPP) procured	166,815	166,815	100	100	34.41	Medicines (Anti-Retroviral Therapy) various combinations procured.
	Health Products - Non-Pharmaceuticals (HPNP) procured	61,931	61,931	100	100	12.77	Diagnostic equipment including test kits procured and distributed.
	Health Products - Equipment (HPE) procured	155	155	100	100	0.03	Facilitating equipment such as condom vending machines procured while others were due for procurement in the

	Out put/Subprogra mmes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target (%)	Cum. Achieved Quantity	Weighted Physical performanc e Score (%)	Remarks
							second half of the FY2018/19.
	Procurement and Supply-Chain Management costs (PSM) incured	54,780	36,869	100	60	10.07	Costs under taken to facilitate procurement.
	Non-health equipment (NHP)	917	237	100	20	0.15	Van procured for Behavioral Change and Communications (BCC) interventions.
	Communication Material and Publications (CMP) developed	806	10	100	1	0.06	Communication materials such as fliers, banners about HIV/AIDS developed.
	Programme Administration costs (PA) incured	171	171	100	100	0.04	Administrative costs including allowances incurred.
	Living support to client/ target population (LSCTP) provided	1,285	1,271	100	96	0.26	Psychosocial Support provided to clients living with HIV/AIDS.
Malaria Grant	Human Resources (HR) delivered	1,388	1,388	100	98	0.28	Staff undertook operational activities such project execution, monitoring and supervision.
	Travel related costs (TRC) incurred	7,604	7,604	100	98	1.54	
	External Professional services (EPS) hired	4,045	4,045	100	98	0.82	
	Health Products - Pharmaceutical Products	97,521	97,521	100	99	19.91	Medicines (ACTS) procured and distributed by the NMS.

	Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target (%)	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
	(HPPP) procured						
	Health Products - Non-Pharmaceuticals (HPNP) procured	27,356	27,356	100	98	5.53	LLINs procured and disseminated.
	Procurement and Supply-Chain Management costs (PSM) incurred	31,253	31,253	100	100	6.45	Costs undertaken to facilitate procurement.
	Communication Material and Publications (CMP) made	6,161	6,161	100	100	1.27	Various publications related to Malaria control were disseminated.
	Programme Administration costs (PA) incurred	80	80	100	100	0.02	Administrative costs incurred.
GAVI (Project 1436	Preventive and curative Medical Supplies (including immunization) provided	12,600	11,087	100	100	2.60	Funds transferred to UNEPI and vaccines such as BCG, Measles, DPT, Rota procured and distributed.
	Medical and Evaluation Capacity Improvement done.	258	151	100	100	0.05	Operational activities carried out including payment of salaries.
	Programme Performance (Outputs)					**97.35**	

Source: Field Findings

***** The TB and HSS interventions were not fully analyzed because the financials were NOT readily available.***

Programme Challenges

- The Global Fund utilization process is highly consultative and therefore time consuming. This affects timely implementation of planned outputs.
- Differences in reporting formats for different government agencies such as MFPED, OPM among other interested stakeholders thus consuming time potentially for other activities.
- Delays in conclusion of the financing modalities between GAVI and GoU affected service delivery due to inability to procure key items such as transport equipment and additional vaccine fridges.
- Vaccine stock outs particularly for traditional GoU funded vaccines. This was attributed to insufficient budgetary allocations made to the sub-programme.

Conclusion

The performance of the Pharmaceutical and other supplies programme was very good at 97%. Vaccines and Medicines for Malaria, TB and HIV patients were available most of the time. Delayed conclusion of the financing/disbursement modalities between GAVI and GoU, and the bureacratic processes of accessing Global fund continued to affect health service delivery.

Recommendation

- The MFPED, MoH should engage the GAVI to expeditiously conclude the modalities to enable timely implemetation of activities.

8.2.3 Public Health Services (Programme 06)

Background

The programme directly contributes to **Inclusive and Quality Healthcare Services (Sector Outcome)** through improvement of quality and accessibility of clinical and public health services in Uganda. Programme outcomes are integrated public health services in Uganda; Controlled epidemic and endemic diseases; well-coordinated infrastructure development; Pharmaceutical Policy implemented; Supply chain planned and managed; and curative services interventions integrated.

Programme 06 is comprised of four sub-programmes and two development projects. These are: Community Health (Sub-Programme 06); National Disease Control-NDC (Sub-Programme 08), Health Promotion, Communication and Environment Health (Sub-Programme 13), Maternal and Child Health (Sub-Programme 14); Projects are: Uganda Sanitation Fund Project (Project 1441) and East Africa Public Health Laboratory Network Project Phase II (Project 1413).

During FY2018/19, the planned programme outcome indicators were; 100% of epidemics/disease outbreaks contained; 4,500,000 Couple Years of protection (Estimated number of couples protected against pregnancy during a one-year period); 95% DPT3 Coverage.

Semi-annual budget monitoring focused on one sub-programme; National Disease Control (Sub-Programme 08), and one development project -East Africa Public Health Laboratory Network Project Phase II (EAPHLNP).

Performance

The approved budget for the programme in FY2018/19 was Ug shs 31.59 billion, of which Ug shs 18.52 billion (58.4%) was released and Ug shs 9.47 billion spent. Expenditures were mainly made under National Disease Control for Management of Public Health Emergencies. The programme achieved 75% of the planned targets. DPT coverage was at 95%, and 87% of the epidemics or diseases outbreaks were contained. These included; Ebola, Cholera, Rift Valley fever, Congo, Crimean Congo Hemorrhagic fever among the Congo boarder districts.

National Diseases Control Programme in partnership with the East Africa Public Health Laboratory Networking Project II collaborated in management of outbreaks such as Crimean Congo Hemorrhagic fever, Rift Valley fever, Anthrax in Rhino Camp, Ebola, and Cholera among others. Key assorted diagnostic equipment such as the carbon dioxide incubator, autoclave 75 liters, general-purpose laboratory refrigerator, and ultra-low temperature freezers among others were delivered at Moroto, Fortportal, Mbale, Arua, Lacor and Mulago hospitals. Three temperature scanners were procured and installed at Entebbe Airport. Other equipment including ambulances were under procurement.

Contracts for refurbishment and reconstruction of Arua, Mbale and Mbarara laboratories were signed. Entebbe Isolation Center, Viral Hemorrhagic Fever (VHF) in Mulago, Multi Drug Resistant Tuberculosis (MDR) Unit in Moroto were still under procurement. **The detailed sub-progamme performance is presented below.**

8.2.3.1 National Disease Control (Sub-Programme 8)

The sub-programme was allocated a total of Ug shs 5.66 billion, of which Ug shs 2.95 billion was released and Ug shs 2billion spent. The sub-programme undertakes coordination of national endemic and epidemic disease control services; Immunization services; Indoor Residual Spraying (IRS) services. Coordination of clinical and public health emergencies including the response to Nodding Syndrome.

The sub-programme achieved 80% of the semi annual targets with immunization coverage at 95%, National endemic and epidemic disease control services controlled up to 87%. Coordination of clinical and public health emergencies at 93%. IRS services under GoU poorly performed at (30%). The MoH did not spray but held IRS gains sustainability workshops for beneficiary districts (Lamwo, Kitgum, Kole, Gulu, Amuru, Omoro, Apac, Lira, and Oyam).

Photo-Biological Control of Malaria performed at 66%. An MoU between Uganda and Egypt regarding support to laviciding was signed on 24th January 2019. The support includes technical and provision of safe larvicide. The contract for larviciding was sent to the Solicitor General for clearance. Additional information in Table 3.3.

Other disease control interventions included; Response to Nodding Syndrome. These interventions were assessed in the districts of; Kitgum, Lamwo, Pader, and Gulu that received funding towards end of FY2017/18 and used the funds in FY2018/19. The following was established;

Gulu Regional Referral Hospital: Received and spent Ug shs110,628,000 on software activities (mainly community sensitization, and trainings) of Nodding Syndrome response. The hospital poorly managed the finances as the funds were disbursed to individual accounts of hospital staff to carry out the assignment. The accountabilities could therefore not easily be verified; and for that matter were doubtful.

Gulu District Health Office: The district had 92 Nodding Syndrome victims and had not recorded any new cases by 31st December 2018. The district received Ug shs 78,470,000, which was used to purchase food (150 bags of beans and 150 bags of maize flour and non-food items such as 60 mattresses, 60 blankets, 60 pairs of bedsheets, and community dialogues for the affected children. Referrals (16 children) to Gulu RRH and back to their homes.

Kitgum District: The district had 406 cases of Nodding Syndrome with Kitgum General Hospital receiving cases from various districts including Pader, Lamwo, and Kitgum among others. The facility at the General Hospital had not received any new cases. The district received Ug shs 267,292,000 for the Nodding Syndrome response and used the funds to purchase food (26,125kgs of posho, 9,792kgs of yellow beans, 544 blankets, and 544 pairs of bedsheets. These were all distributed by October 2018.

Lamwo District: The district had 309 persons affected by Nodding Disease by end of FY 2017/18 and had not recorded any new cases in FY2018/19. The district received Ug shs 175,151,000 in June 2018 and was spent on procurement of food items (13,261.8kgs of posho and 5,260.07kgs of beans). The district also procured non-food items such as mattresses and blankets.

Omoro District: The district received Ug shs 229,766,400 which was used for procurement of mattresses, and food for the affected children. The procured items were delivered at Aromowanylobo village, Odek sub-county that hosts the centre for Nodding Syndrome formerly known as: **Hope for Human Centre/Nodding Syndrome Centre.** The centre was officially re-opened on 6th July 2018 however, by 21st January 2019, the centre was closed again due to compensation disputes between community and the LG.

The community, which had initially given the land freely for setting up the Syndrome Centre required compensation before the government could take over the land and the existing structures. The 400 households each required 30 iron sheets as compensation. The standoff between the DLG and the landowners resulted into unending closure of the facility. On 8th January, 2019 when the children reported to the site; the landowners declined to accept resumption of its operations until receipt of the compensations.

The affected children were given some medicines, food supplements (Replenish- Immune booster) and sent back home pending the settlement of the standoff. The children are discriminated at their home, poorly feed, and live in a poor hygiene condition. The task force was due to meet in the week of 21st to 25th January 2019 to find a solution.

Box: 8.1: Key findings on Nodding Syndrome Disease in various districts

- *Lack of clear accountabilities for the nodding diseases funds rleased in FY2017/18.*
- *No new cases were detected.*
- *The key informants advocate for a rehabilitation centers in the affected districts as the children have special needs.*
- *The most affected are 5 to 15 years and these need to attend education training.*
- *There was a general improvement among the patients upon provision of food, and non-food items and with NMS supply of Sodium Valproate 500mg, and recent supply of Replenish- a plant based vegetarian capsule that boosts the patients' immunity.*
- *Medicines must be accompanied by a good diet.*
- *There is need for Operation Wealth Creation (OWC) to target these communities with drought and pest resistant varieties of crops to ensure food security for the families.*

Source: Field Findings

Challenges

- Food insecurity among the communities/patients further compromising response to the supplied medicines.
- Inadequate funding for outreaches such as fuel funds to ferry patients from villages to the treatment facility in Kitgum District.
- Stock out of anti-convulsants in the treatment facilities
- Lack of functional rehabilitation centres in the affected districts. The Omoro centre was non-functional due the demand for compensations from the community.
- Lack of clear accountabilities for the Nodding Disease funds released in FY2017/18.

Recommendations

- The MoH, OWC, and Minsitry of Agriculture, Anial Industry and Fisheries (MAAIF) should target the nodding syndrome affected areas to assist in enhancing food security.
- The DLGs with support from MoH should train health workers in psychosocial support skills in management of Nodding Disease victims.
- The MoH, NMS should ensure continuous supply of food supplements and anti-convulsants.
- The MoH should verify all accountabilities from various entities that received Nodding Disease funds.

8.2.3.2 East Africa Public Health Laboratory Network Project Phase II (Project 1413)

The World Bank at a tune of US$ 15million funds the project. Financing became effective on 31st March 2016 with an expected completion date of 31st March 2020.

The project aims to establish a network of efficient, high quality, accessible public health laboratories for the diagnosis and surveillance of TB and other communicable diseases. This project is implemented in the five East African countries including Uganda, Kenya, Tanzania, Rwanda, and Burundi. The project had improved laboratory services at various sites through provision of laboratory equipment, reagents, routine servicing, and adequate support supervision.

The project implements three components. These are: Regional Diagnostic and Surveillance Capacity (component one), Training and Capacity Building (component two), Joint Operational Research and Knowledge Management (component three). The annual monitoring focused on all components.

Performance

Cumulatively, a total of US$ 4,895,930.07(32%) disbursement was made. The disbursement has mainly been for procurement of equipment for laboratories. The overall project performance was fair averaging at 60% of the semi-annual targets achieved. Overall, physical progress for construction works was at 5%. Construction works had commenced in September 2018 (Mbale, and Mbarara) while others (Lacor, and Arua) had not commenced. By January 2019, however, the contractor at Mbale had abandoned site-awaiting instructions from the consultant to commence works for the substructure.

The contract for supply, installation, test and training for equipment was signed with M/s PALIN Cooperation in two lots. Lot 1 and 2 were costed at US$188,023.88 and US$44,749.33 respectively. By 31st December 2018, selected RRHs had received assorted equipment: Fort Portal and Moroto each received; Anaerobic Jar, a Biological LED microscope, a laboratory oven; a carbon dioxide incubator, an autoclave 75Litres, a general purpose laboratory refrigerator; pipettes single channel, adjustable, and a water distiller.

The equipment provided to Mulago, Fort portal, and Moroto were freezer, thermometer, min/max thermometer each. Other hospitals that received were Lacor and Arua (anaerobic jar, min/max thermometer, biological led microscope). The hospitals noted that the equipment had greatly improved their performance. Some equipment was in use, while others awaited to use them after the renovation works (Arua and Fort Portal RRH).

Other equipment procured included: temperature scanners for Entebbe International Airport at a cost of US$ 187,840.1 supplied by M/s Rima EA Limited, temporarily isolation units were also delivered at US$189,000 by VVSOAR Enterprises to NMS. Procurement of two ambulances through United Nations Office for Project Services (UNOPS) was ongoing at the cost of Japanese Yen 12,389,017.69. Procurement of infection prevention materials for the Viral Hemorrhagic Fever (VHF) was at approval stage of the procurement process. The project also provided supplies and operational funds to the regional centres. Detailed performance in Table 8.3.

Table 8.3: Semi-annual Performance of Public Health Services Programme for FY2018/19

	Output/Subprogrammes	Annual Budget (Ug shs Million)	Cum. Receipt (Ug shs Million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
National Disease Control	Coordination of Clinical and Public Health emergencies including the Nodding Disease	367	257	100.	65	4.78	The MoH carried out support supervision to the districts managing cases of Nodding Diseases Syndrome. Mattresses and food items (beans and posho) were procured and distributed to the affected families in the districts of Omoro, Kitgum, Lamwo, and Gulu. There was an observed improvement in the welfare of the patients with provision of **medicines, nutritional supplements, and food**. The districts noted that presence of the threefold elements could assist in keeping the effects of the syndrome at bay (***Highlight from key informants in Box 1***).
	Immunization services provided	795	366	100	44	10.62	Routine and static immunization were carried out at various health facilities countrywide. DPT3 coverage was at 95%, while measles immunization was at 88%. The MoH also supported 65 districts including Bugiri, Budaka,Gulu, Kabalore for the Integrated Child Health days.
	IRS done	417	135	100	10	1.80	IRS Gains Sustainability workshops for IRS districts held. The MoH also implemented an entomological monitoring exercise.
	National Endemic and Epidemic Disease Control	2,864	1,643	100	50	34.87	The MoH held two Uganda –Congo cross border meetings held as planned.
	Photo-biological Control of Malaria	1,218	547	100	30	11.37	The MoH continued support to VHF, Crimean Congo Haemorrhagic Fever (CCHF), Rift Valley Fever (RVF) preparedness and response in the affected districts.
East African	Regional Diagnostics	524	524	100	5	0.37	Overall, physical progress was 5%. Construction works had commenced in

Public Health Laboratories Project	Surveillance Capacity Enhanced						September 2018 (Mbale, and Mbarara) while others (Lacor, and Arua,) had not commenced. By January, 2019, the contractor at Mbale was not on site. Contracts for various works were as follows: M/s Moga at Ug shs 1,925,992,914 for a period of 12 months at Mbarara RRH; M/s EGSS Engineering contractors at Ug shs 1,935,225,818 for 12 months at Mbale RRH; Lacor hospital is expected to procure their contractor for the remodeling of the laboratory at Ug shs 369,027,298. At Moroto RRH, Environmental Social Impact Assessment was completed by 31st December 2018. The contractor was JBN consults limited at a contract sum of Ug shs 79,897,800 The contract for the supervising consultant was signed on 13th August 2018 with M/s PAN Modern Consult Limited at the contract sum of Ug shs 1,207,830,000 for a period of 18months.
	Joint Training & Capacity Building	135	135	100	90	1.70	Training of Trainers was conducted. Satellite laboratory staff were also trained.
	Joint OR & Knowledge Sharing & Regional Coordination & Program Mgt	834	834	100	85	9.91	Involved management, training and recruitment of staff. Training of satellite sites in research was done.
	Programme Performance (Outputs)					**75.42**	**Good Perfomance**

Source: Field Findings

Challenges

- Internal delays within the MoH during procurement and funds requisition. This delays implementation of planned outputs.
- Variations in civil works due to the unanticipated geology in Moroto Dsitrct. The cost variation increased from US$150,000 to US$200,000.

Conclusion

The performance of Public Health Services was good (75%), with a number of disease outbreaks contained because of timely surveillance and response to outbreaks. Efforts to deal with Nodding Diseases Syndrome and provision of key diagnostic laboratory equipment to enhance service delivery were underway. The programme is however affected by lack of functioning Nodding Syndrome Centres in affected districts and slow pace of construction of the Multi Drug Resistant TB (MDRT) satellite laboratories and Isolation Units at selected RRHs.

Recommendations

- The MoH, and DLG should establish functional Nodding Syndrome response centres in the affected districts.
- The Accounting Officer of MoH should fast track all procurements and ensure that the project is implemented in a timely manner to avoid further delays, time and cost overruns.
- Additionally, the MoH and Project Manager of EAPHLP should prevail on the contractors and consultant to ensure the projects are completed in time.

8.2.4 Clinical Health Services (Programme: 08)

Background

The programme directly contributes to **Inclusive and Quality Healthcare Services (Sector Outcome)** through improvement of quality and accessibility of clinical and public health services in Uganda. Programme outcomes are integrated public health services in Uganda; Controlled epidemic and endemic diseases; well-coordinated infrastructure development; Pharmaceutical Policy implemented; Supply chain planned and managed; and curative services interventions integrated.

Programme 08 is comprised of five sub-programmes. These are: Shared National Services (Sub-Programme 09), Nursing Services (Sub-Programme 11), Integrated Curative Services (Sub-Programme 15), Ambulance/Emergency medical services (Sub-Programme 16), and Health Infrastructure (Sub-Programme 17).

During FY 2018/19, the planned programme outcome indicators were; Institutional/Facility based Maternity Mortality 102 per 100,000 facility-based deliveries; Institutional/Facility based Infant Mortality rate at 52 per 1000; Institutional/Facility based perinatal Mortality rate at 12 per 1000.

Semi-annual budget monitoring focused on four sub-programmes of; Shared National Services (Sub-Programme 09), Integrated Curative Services (Sub-Programme 15), Ambulance services (Sub-Programme 16), and Health Infrastructure (Sub-Programme 17).

8.3.4.1 Shared National Services (Sub-Programme 8)

The sub-programme implements activities in relation to payment of medical interns, senior house officers, transfers to international institutions, and to LGs, National Health Insurance Scheme among others. The sub-programme performance averaged at 75% of the semi-annual targets. Allowances were paid to both the interns and the senior house officers. The sub-programme was allocated Ug shs 38.01billion, of which Ug shs 19.33billion was released and Ug shs 12.35 billion spent. Highlights are presented below and details in Table 8.4.

Medical Intern Services: The MoH deployed 1,048 interns to 34 training centres. The interns comprised of 604 medical doctors, 20 dentistry, 109 pharmacies, 41 midwives, 274 nurses. These received their allowances up to 31st December 2018. There was an observed delay in the payment of the interns' allowances as by mid-February, the funds for Q3 had not been paid to the interns. Interns' representatives noted that the late payments have a strong negative effect on the wellbeing of interns who do not receive accommodation and meals at the hospital.

In terms of learning, the MoH changed the rotation policy from three to six months' rotation per discipline to enhance learning. The interns are expected to be rotated twice for the major disciplines. The interns observed that supervisors were available to train them except for Lira and Soroti where the new universities were affecting the availability of the consultant and senior consultants. These were attracted to higher pay at the university. The intermittent stock out of supplies such as sundries, and reagents and other, medicines partly affected their learning.

Recommendations

- The training institutions should prioritize provision of accommodation and meals to the interns to enhance the learning outcomes. Interns' representatives noted that the late payments have a strong negative effect on the wellbeing of interns who do not receive accommodation and meals at the hospital.
- Training insitutions should ensure availability of medical supplies especially those essential for theatre procedures to enhance practical learning skills.
- The MoH should ensure that the interns' allowances are paid in time to enhance their welfare and learning.

National Health Insurance Scheme (NHIS): The NHIS regulations were not developed, the bill was submitted to the first Parliamentary Council for comments. The operationalization of the scheme is taking a slow pace albeit the high out-of-pocket expenditure and the poor functionality of the health delivery units.

Recommendation

- The MoH should fast track the operationalization of the NHIS and the complementary resources such as human resources, equipment, and other health infrastructure.

8.2.5 Integrated Curative /Clinical Services (Sub-Programme 15)

The sub-programme mainly coordinates clinical and public health emergencies; including support supervision to the DLGs. The approved budget for the sub-programme in FY2018/19 is Ug shs 2.36 billion, of which Ug shs 1.38billion was released and Ug shs 0.88billion spent.

Physical performance averaged at 87%. Mass adolescent and adult screening for Hepatitis B was carried out for those aged 17 years and above in Busoga and Bugisu regions. The DHOs, CAOs, secretary for health, health workers, were trained in Hepatitis B case management. The MoH also provided technical support supervision to the DLGs. Table 8.4 provides additional details.

8.2.5.1 Emergency Medical Services (Sub-Programme 16)

The sub-programme is mandated to establish functioning national referral services with a call centre and effective and reliable transport for referral. The approved budget for the sub-programme in FY2018/19 is Ug shs 0.96 billion, of which Ug shs 0.48 billion was released and

Ug shs 0.28 billion spent. Programme performance was fair at 60% of the semi-annual targets achieved.

The sub-programme conducted consultative stakeholder meetings with regional health managers and Private Health Providers to review the draft policy of Emergency Medical Services Policy (EMS). Standard operating procedures, ambulances protocols and a curriculum to train ambulance drivers was developed. The EMS policy and strategy was due for presentation to be presented to cabinet. Details are presented in Table 8.4.

8.2.5.2 Health Infrastructure (Sub-programme 17)

The sub-programme mainly coordinates maintenance of medical equipment and solar installations in the health facilities. It is also mandated to supervise, monitor and mentor the biomedical engineers and other staff in the regional maintenance workshops.

The approved budget for the sub-programme in FY2018/19 is Ug shs 3.76 billion, of which Ug shs 1.89 was released and 61% spent. Physical performance averaged at 65%. A total of 611 solar systems were maintained in 167 selected heath facilities. In Unyama HCII, Gulu District, the contractor for MoH visited the facility and maintained the solar system. The solar maintenance involved replacement of batteries for the staff house, solar panel for the OPD. By the 22nd January 2019, the solar system was working well. At Awach HCIV, the MoH contractor identified the inverter to be faulty but this had not yet been replaced.

A few health facilities (those whose installation was funded by the Nordic Development Fund) received new batteries and other accessories. In terms of the imaging equipment, 28 out of the 49 ultrasound scanners, 17 out of the 42 x-ray machines and three out of six PCR printers were maintained in selected RRHs, GHs, and HCIVs. The MoH monitored and mentored staff at the Regional Maintenance Workshops at Jinja, Moroto, Kabale, Mbale, Fort Portal, Soroti, Lira, Gulu, Hoima, Arua, Mubende and Wabigalo central workshop. Details in Table 8.4.

Table 8.4: Performance of the Clinical Health Services Programme (0808) as at 31st December 2018

Subprogramme	Out put/Subprogrammes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Shared National Services	GoU contribution to Global Fund made	1,500	1,500	100	50.00	1.66	GoU contribution to Global Fund partly made.
	Medical Intern services provided	11,430	6,215	100	54.40	25.35	A total of 1,048 interns were deployed to the 34 training centres. The internship policy was also drafted and awaiting Cabinet approval.

Subprogramme	Out put/Subprogrammes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
							The intermittent supplies of sundries, and reagents and other, medicines partly affected their learning.
	Senior House Officer Services provided	4,180	2,090	100	50.00	9.27	Allowances for 395 Senior House Officers (SHO) were paid. The SHO Policy was concluded awaiting Cabinet approval. The guidelines for the SHOs were also in draft form.
	National Health Insurance Scheme regulations developed	2,000	771	100	10.00	1.15	The NHIS regulations were not developed, the bill was submitted to the first Parliamentary Council for comments.
	Provision of local government services supported	18,900	8,750	100	46.00	41.65	Funds were transferred to Kawempe and Kiruddu hospitals to cater for their operational costs. MoH also contributed to Red Cross to support blood collection; and paid for medicines and health supplies for PNFPs to JMS[32].
Integrative Curative Services	Coordination of clinical and public health emergencies	1,663	940	100	45.00	2.93	Mass adolescent and adult screening for HEP B was carried out for those aged 17 years and above in Busoga and Bugisu regions. All RRHs, General Hospitals and HCIVs were designated care and treatment centers for HEP B. Training of health care workers across districts (Busoga, and Bugisu) where control activities have been rolled out.
	Support Supervison provided to the DLGs	700	441	100	60.00	1.48	District Health Educators of five districts of Kabale, Kisoro, Rukungiri, Kanungu and Rubirizi supervised and mentored on risk communication for disease outbreak preparedness. Community knowledge on Ebola in 4 districts of Arua, Pakwach, Nebbi and

[32] The disbursements were not verified.

Subprogramme	Out put/Subprogrammes	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
							Zombo assessed and results used to inform planning.
Health Infrastructure	Medical and Solar equipment maintained	2,316	1,165	100	20.00	2.04	A total of 611 solar systems maintained in 167 heath facilities in selected districts. The contractors did not carry out maintenance in some districts due to delayed payment from MoH.
	Technical Support Supervision provided to the DLGs	1,443	719	100	45.00	2.89	MoH visited the regional maintenance workshops for mentorship, appraisal and technical support supervision
Emergency medical services	Emergency medical services provided	957	477	100	30.00	1.28	Fair performance
Programme Performance (Outputs)						**89.70**	**Good Performance**

Source: Field findings

Conclusion

Performance of Clinical Health Services was good at 89% achievement. This was mainly occasioned by payments of interns and senior house officers' allowances. Some efforts were also made to maintain equipment and establish the National Health Insurance Policy. The programme was mainly affected by partial maintainance of health equipment, delayed operationalization of the ambulance services and Health Insurance Scheme.

Recommendations

- The MoH should allocate funding for maintainance of the diagnostic and imaging equipment.
- The MoH should expedite the operationalization of the National Health Insurance to attain full functionality of the Health Systems Building Blocks.
- The MoH and Cabinet should fast track inactment of the National Health Insurance bill.

8.3: Health Service Commission (Vote 134)

Background

The Commission is responsible for Human Resources for Health (HRH) matters in National, Regional Referral Hospitals, and auxiliary institutions of the MoH. It has the mandate of ensuring that the health institutions under its jurisdiction get the right number of human resource with the right skills, in the right place, and at the right time.

The vote contributes towards **Inclusive and Quality Healthcare Services** outcome through implementing Program (52) - Human Resource Management for Health[33]. The ultimate program outcome is improved status of human resources for health in the health service. The program outcome indicator was the proportion of qualified health workers recruited against the annual recruitment plan at national level[34]. The program objective was expected to be achieved through provision of strong and competent human resources for efficient and effective health service delivery in line with Human Capital Development as stated in NDPII.

The semi-annual monitoring FY 2018/19 focused on two sub-programmes; Human Resource Management (HRM), and the Health Service Commission Development Project.

Financial Performance

During FY 2018/19, the annual revised programme budget was Ug shs 6.4billion, of which Ug shs 3.3billion (52%) was released and Ug shs 2.2billion (69%) spent by 31st December 2018. Unspent balances were recorded under contract staff salaries with only 36% spent and gratuity (50%) among others.

Performance

Performance was poor as 18% of the semi-annual targets were achieved. The recruitment interviews had not commenced. Only one out three development targets was partially achieved by 31st December 2018. Detailed performance by sub-programme is presented below.

8.3.1 Human Resource Management (Sub-Programme: 02)

The sub-programme was allocated Ug shs 1billion, of which Ug shs 518million (50%) was released and Ug shs 984million (77%) was spent. Only five entities had submitted their recruitment requisitions to the Health Service Commission by 14th December 2018. These were; Uganda Virus Research Institute (UVRI), Mulago NRH; Uganda Blood Transfusion Services (UBTS); Moroto and Jinja RRH. The advertisement for FY 2018/19 recruitments was done in January 2019.

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[33] MoH, MFPED, MoPs (Ministry of Public Service), RRHs and specialized institutions contribute to performance of the Programme. MoH is responsible for deployments, RRHs and specialized institutions are responsible for making timely submissions to MoH and MoPs. The MoPs is responsible for clearances while MFPED provides budgeted resources.

[34] The indicator was set as an output indicator.

8.3.2 Health Service Commission (Project 0365)

The project was allocated Ug shs 263million during FY 2018/19, 100% of the funds were released and 9% spent by 31st December 2018. Office furniture was procured and the motor vehicle was still under procurement. Detailed performance of the commission is highlighted in table 8.5.

Table 8.5: Detailed Performance of Health Service Commission by 31st December 2018

Subprogrammes	Out put	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target #	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Sub Programme: 02 Human Resource Management	Health Workers recruited in Central Government Health Institutions	1,033	518	850	0.00	0.00	The HSC appointed 681 health workers by 14th December 2018. These were mainly for Kawempe and Kiruddu hospitals. Recruitment had commenced the previous FY and completed during FY 2018/19. Recruitment for FY 2018/19 had not commenced.
		180	88	56	24.00	10.70	Kiboga, Kikube, Mbarara, Rukungiri, Kanugu, Agago, Pader, Kalungu, Gomba, Bukomansimbi, Nwoya, Lira, Oyam, Kole, Kakumiro, Kasese, Kasanda, Amudat, Nakapiripirit, Nabilatuk and 7 RRH (Mbarara, Hoima, FortPortal, Moroto, Lira, Gulu and Masaka) received support. Technical support was also provided to selected District Service Commissions.
Health Service Commission	Transport equipment procured	183	183	1	0.40	4.97	Under procurement.
	Machinery and Equipment procured	40	40	1.00	0.20	0.54	Under procurement.
	Office	40	40	28.00	14.00	1.35	14 executive chairs for

Subprogrammes	Out put	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target #	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
	furniture procured						members of the commission were procured.
	Programme Performance (Outputs)					**17.56**	**Poor Performance**

Source: HSC, IFMS, Field findings

Implementation Challenges

- Delays in submission of recruitment requests from Central Government Votes translated into delays in advertising jobs in both print and social media.
- Variances between planning tools and actual implementation plans and budgets: The sector's annual recruitment plan for central government votes in the Approved Annual Ministerial Policy Statement (FY 2018/19) indicated 1,487 health workers cleared for filling by MoPs by April 2018. However, the HSC planned to recruit only 850 health workers.
- Unclear unit cost of recruitment of health workers. Efforts to get a clear and detailed cost were futile, yet HSC continues to lobby for budgetary increments in addition to supplementary budgets. The unit cost is key for planning and budgeting for adequate staff within the health sector.

Conclusion

Although, the HSC recruited 681 health workers during the first half of the FY. This was majorly because the processes had commenced last FY 2017/18. This method should be adopted, targets of the subsequent FY should be planned, budgeted in current FY. This will enable timely deployments and absorption of the Wage Bill.

Poor performance (18%) was registered regarding outputs for FY 2018/19. Only five votes had submitted their recruitment needs to HSC. Ou puts under the development grant were still under procurement. The need to plan and commence recruitment processes for subsequent FYs in a timely manner is key to reduction of staffing gaps and absorption of wage allocations by various health facilities.

Recommendations

- The HSC should come up with the unit cost of recruitment and disseminate it to relevant stakeholders, this should be tagged to recruitment expenses during planning and budgeting to enable GoU finance activities with clear and measurable targets.

- The HSC, MoPS and MoH should ensure harmonization of staff recruitment plans with annual planning, budgeting and implementation tools.
- The above recommendations call for the MoH and HSC to initiate the processes of amending the law in relation to timelines required for recruitment of health workers.

8.4 Uganda Cancer Institute (Vote 114)

Background

The Uganda Cancer Institute (UCI) offers super specialized services in areas of; cancer treatment, research and prevention. It has a three-fold mission; Research into all aspects of common cancers in Uganda; Provision of optimal evidence based clinical care; Provision of training for health care professionals using endemic cancers as model disease for training. The UCI implements Cancer Services (Programme 57) which contributes towards inclusive and quality healthcare services.

Performance

The UCI budget in FY2018/19 is Ug shs 93billion, an increment of Ug shs 41billion over the FY 2017/18 budget. A total of Ug shs 30billion was released (32%) and Ug shs 28billion (93%) spent by 31st December 2018. Approximately, 68% of the funds were allocated to construction of the multipurpose building under African Development Bank (ADB) Support to UCI Project. Works had just commenced and the contractor had not submitted any interim certificates for payment.

The UCI achieved 43% of the set targets for FY 2018/19. Good performance was noted under Medical Services with inpatients and outpatient attendances, investigations, new cancer cases registered achieved by over 100%. Radiotherapy targets at 77%; Uganda Cancer Institute (Project 1120) at 53%; Poor performance was registered under Institutional Support to UCI (1476) with only one out of nine planned outputs (11%) achieved by end of quarter two FY 2018/19. Under performance of the ADB Support to UCI project was noted with construction works at less than 10%. Works had just commenced and procurement of equipment was ongoing. Detailed performance is highlighted below.

8.4.1 Cancer Services (Programme 57)

The overall programme outcome is improved cancer services through reduction of cancer incidences and related mortalities through excelling in prevention, care, research and training. Programme indicators were; Percentage of patients under effective treatment; Percentage reduction in cancer incidence; Percentage change in disease presentation (from stage III & IV to II & I).

During FY 2018/19, the UCI is implementing seven Sub-Programmes. These are: Management/Support services (Sub-programme 01), Medical Services (Sub-programme 02), Internal Audit (Sub-programme 03), Radiotherapy (Sub-programme 04), Uganda Cancer Institute Project (Project 1120), ADB Support to UCI (Project 1345), Institutional Support to Uganda Cancer Institute Project (1476). Semi-annual monitoring focused on: Sub-programme

02 (Medical Services); Radiotherapy (Sub-Programme 04); The Uganda Cancer Institute Project (1120); African Development Bank (ADB) Support to UCI and Institutional Support to UCI.

Performance

Medical Services (Sub-programme 02): The sub-programme was allocated Ug shs 8.6billion, of which Ug shs 4.3billion was released (50%) and Ug shs 2billion (48%) spent by 31st December 2018. Only 37% of the released funds on procurement of medical supplies was spent.

Some planned outputs under medical services were achieved beyond target, while others were not. Those that surpassed their target were diagnostic investigations at 222% and outpatient's services at 132%. New cancer cases registered were 2,313 out of 5,000 target (49%). These numbers point towards the increasing cancer burden to both the hospital budget and that of GoU. Table 8.6 highlights programme performance by service output.

Table 8.6: Perfomanance of Medical Services Sub-programme by 31st December 2018

Service	Annual Planned Target	Achievement	%	Remarks
New cases Registered	5,000	2,313	46	Efforts should be geared towards preventive aspect of cancer
Inpatient Attendances	40,000	19,626	49	Not Achieved
Investigations	179,144	398,145	222	Surpassed target
Outpatients Attendances	20,000	26,332	132	Surpassed target

Source: Uganda Cancer Institute

Under the Outreach Programme: Over 66,000 people were educated about cancer through static, long and short distance awareness programmes. Over 20,000 people were screened. The Research Committee under cancer research reviewed 28 research proposals. Two studies were reviewed and a number of meetings undertaken. The targets and timelines under the Cancer Research Sub-progarmme were not clearly defined by the UCI.

Radiotherapy (Sub-Programme 04): Good performance was noted with 77% of the semi-annual targets achieved. Over 62% of the treatment sessions were done with the Cobalt 60 machine, 799 new patients were treated in the Radiotherapy Unit. Under performance was recorded in relation to number of brachytherapy insertions done, only 26% of the target was achieved; 42% radiation therapy patients using CT-Simulator were treated. Details in table 8.7.

8.4.2 Uganda Cancer Institute (Project 1120)

The project commenced in 2010 and is expected to end in June 2020. It is contributing to two sector outcomes. These are inclusive and quality health services as well as competitive health care centers of excellence. The main objective of the project is to transform the existing UCI into a Regional Cancer Center of Excellence. In order to increase accessibility to cancer services, the UCI intends to establish and equip Regional Cancer Management Centers.

During FY 2018/19, the project was allocated Ug shs 8.8billion, of which 4.9billion was released and 96% spent by 31st December 2018.

Physical progress of the radiotherapy banker stagnated since FY2017/18 at 97% against 52% financial progress. However, auxiliary buildings had progressed up to 60% from 35% of FY2017/18. Painting, electrical installations and mechanical works were ongoing. Completed works included structural and floor works, LED doors fixed, Cobalt machine (donation from the Republic of India) was already fixed and tested. Floor polishing was ongoing. Pending works included final finishes. External and auxiliary works had commenced and the contractor expected to handover the facility in April 2019. Summary of performance is highlighted in Table 3.7.

Left: Part of the Radiotherapy bunker under construction. Right: Ongoing external works at the Radiotherapy Bunker Structure-Uganda Cancer Institute, Mulago

8.4.3 ADB Support to UCI (Project 1345)

The project commenced in July 2015 and is expected to end in June 2019. It aims at addressing the crucial labour market shortages in highly skilled professionals in oncology sciences and cancer management in Uganda and the East African Community (EAC) region in general. It contributes to **Competitive Health Care Centers of Excellence.**

The project was allocated Ug shs 66billion, of which only Ug shs 16billion (24%) was released and Ug shs 12.5billion (80%) spent. Direct payments totaled to US$600,148 and made on consultancies and design works. The ADB released US$ 2.5million to UCI to facilitate operations, trainings and allowances to sponsored students benefiting from the training component of the project. The GoU funding alone was Ug shs 1.99 billion, of which Ug shs 1.06 billion (53%) was released and 91% spent. Expenditures on the GoU funding was mainly on allowances 54%, 28% on construction of multipurpose building and the rest on other recurrent expenses. Efforts made by the monitoring team to verify payment vouchers for the various allowences and recurrent expenses were futile.

The sub-programme achieved less than 10% of the semi-annual planned outputs. The contract for the Multipurpose Oncology Unit was signed between UCI and Roko Construction Limited on 28th November 2018 at a sum of US$ 13.62million. Works commenced on 14th December 2018 and were expected to last 18 months. The contractor had hoarded the site, mobilization and preliminary works were ongoing. A total of US$ 2.7million (20%) was advanced to the contractor at commencement of works.

There are observed delays in project implementation leading to low a disbursement rate (only 26% was disbursed since approval of the ADB Project loan in 2014). The project was slated to end in June 2019 yet the contract for the multi-purpose building was 12 months, there is need to extend the project to fit within contractual obligations of the multi-purpose building. Additional information is in Table 3.7.

8.4.4 Institutional Support to Uganda Cancer Institute (Project: 1476)

The project commenced in July 2017 and is expected to end in June 2022. It contributes to Competitive Health Care Centers of Excellence through enhancing capacity to handle 34 complicated cancers using the state of the art medical equipment for diagnosis and treatment.

The project was allocated Ug shs 1.13billion, of which 82% was released and 39.7% spent by 31st December 2018. Only one (procurement of computers) out of the nine targets was achieved. Barcode reader, Patient Monitors, Pulsoximeters, Infusion Pump, Sevoflurane Evaporizers, Oxygen Concentrators, Anesthetic Machine among others were under procurement (Details in Table 8.7).

Table 8.7: Performance of Uganda Cancer Institute by 31st December, 2018

Subprogrammes	Output	Annual Budget (Ug shs Million)	Cum. Receipt (Ug shs Millio)	Annual Target	Cum. Achieved Quantity	Weighted performance Score (%)	Remarks
Medical Services (02	Cancer care services provided (inpatients, investigations, outpatients and New cancer cases registered)	7,424	3,679	244,144	446,416	14.62	Investigations were achieved at 222% while outpatients services achieved 132%.
	Cancer outreach services provided (Clients examined and screened)	178	88,746	61,600	22,434	0.26	Not achieved.
	Cancer Research (Studies initiated and conducted, peer reviewed publications and presentations, trainings done)	1,087,933	541	42.	31	2.14	Targets not clearly set.
	Radiotherapy Services provided. 2400 Brachytherapy insertions, 2000 new	115	60	69,424	28,271	0.18	62% treatment sessions were done with the new cobalt 60 machine. Under performance was

Subprogrammes	Output	Annual Budget (Ug shs Million)	Cum. Receipt (Ug shs Millio)	Annual Target	Cum. Achieved Quantity	Weighted performance Score (%)	Remarks
	patients attended, 350000 treatment sessions, 2,000 patients for radiation therapy using CT Simulator, 260 radiation education sessions, 4160 patients completed treatment and followed, 2,000 on treatment patients reviewed, 4 Radiation equipment maintenance session						recorded on brachytherapy insertions (26%); 42% radiation therapy patients using CT-Simulator.
Uganda Cancer Institute (Project 1120)	Complete construction of the radiotherapy bunkers. Interim Certificates for the bunkers paid. Service support building for the radiotherapy bunkers and nuclear medicine constructed. Second Phase of water pipeline channeling streamlining and plumbing for UCI Land for the Regional Cancer Center in Mbarara. fenced	8,809	4,967	1.00	53	17.35	At substantial completion. Delays in project completion were noted.
Institutional Support to UCI (1476)	Procurement of a Barcode reader, Patient, Monitors, Pulsoximeters , Infusion Pump, Sevoflurane Evaporizers, Oxygen Concentrators, Anesthetic Machine procured; Service and Maintenance of specialized Medical;	1,131	931	9.00	1.00	0.30	ICT equipment procured included 10 computers. All machinery and equipment was under procurement.

Subprogrammes	Output	Annual Budget (Ug shs Million)	Cum. Receipt (Ug shs Millio)	Annual Target	Cum. Achieved Quantity	Weighted performance Score (%)	Remarks
	Equipment and Machines at UCI						
ADB Support to UCI	Advance payment for the construction of the Multipurpose building for the East Africa Oncology Institute; Interim Certificates (three certificates) paid, at different stages of construction Construction and supervision of the construction works	652	38	1.00	0.33	0.71	Behind schedule.
	Cancer Support Services	7,336	4,810	1.00	0.40	7.22	Ongoing
	Linear Accelerator for Cancer treatment procured Magnetic Resonance Imaging Machine for Cancer diagnosis procured	24,050	1,872	1.00	0.00	0.33	Manufacturing of the machine had commenced and the first component is expected in May 2019.
	Programme Performance (Outputs)					**43.11**	

Source: Field Findings, IFMS

Implementation challenges

- Limited availability of equipment to fully operationalize the bunker. Apart from the Linear Accelerator by ADB and donations from India, other equipment necessary to operationalize the bunker had not been prioritized yet the infrastructure was expected to be handed over in FY 2018/19.
- Lack of clear maintenance and operationalization plans for the ADB Support Project. These were not available by 31st December 2018.
- Outstanding payments to both the contractor and consultant yet the UCI continued to undertake new contracts without corresponding MTEF ceiling.

Conclusion

Overall UCI achieved 43% of the planned targets by 31st December 2018. Medical services were on track, however the development projects particularly ADB support and Institutional Support under performed. The institute should step up implementation and achievement of planned outputs by end of FY 2018/19.

Recommendations

- The UCI should prioritize equipment, staffing, operations and maintenance of the bunker infrastructure before completion and handover for efficient and effective utilization.
- The UCI should ensure that project implementation is phased in line with availability of funds as opposed to signing multibillion projects without corresponding MTEF allocations.
- The UCI should hasten processes related to project renewal with the Development Committee of MFPED concerning ADB support Project for harmonisedplanning, budgeting and implementation.

8.5 Uganda Heart Institute (Vote 115)

Background

The UHI was set up to serve as a center of excellence for the provision of comprehensive medical services to patients with cardiovascular and thoracic diseases at an affordable cost. According to NDPII, the Vote **contributes to enhanced competitiveness** in the health sector. It implements Programme 58- Heart Services.

The main objectives of this programme are; to enhance health promotion and prevention of cardiovascular; to increase institutional effectiveness and efficiency in delivery of cardiovascular services; to provide quality, equitable and accessible cardiovascular services to both local and international clients; to regulate quality of cardiovascular care in Uganda.

The programme is comprised of four sub-progammes. These are: Management (Sub-progamme 01); Medical Services (Sub-progamme 02); Internal Audit (Sub-progamme 03); and 1121 Uganda Heart Institute Project. Semi-annual monitoring focused on sub-programmes (Medical Services) and Uganda Heart Institute Project (1120). During the period under review, the programme was allocated Ug shs 19 billion, of which Ug shs 9.8billion (50%) was released and Ug shs 6billion spent (69%).

Performance

Heart Services (Programme 58)

The programme performed fairly, 65% of the planned outputs were achieved. Closed and Open Heart Surgeries were achieved at 52%, while 50% of the heart outpatients were treated. However, Project (1121) underperformed with the most critical equipment under procurement. Detailed performance is highlighted below.

8.5.1 Medical Services (Sub-progamme 02)

The sub-programme was allocated Ug shs 4billion, of which Ug shs 2billion released and 85% spent by 31st December 2018. The institute carried out only 41 out 100 open heart surgeries (41%); 272 out 500 thoracic and closed surgeries (54%). The hospital attended to 10,192 out of 20,000 general outpatients. Detailed performance is highlighted in Table 3.8.

Under Heart Research; Four research papers on Rheumatic Heart Diseases were published and reviewed, seven staff were undergoing specialist training, while others were undertaking a number of research activities on Rheumatic and coronary artery heart diseases. Detailed performance highlighted in Table 3.8.

Heart Outreach Services: UHI participated in the National Fitness Day organized MoH, the Taxpayers Appreciation week organized by Uganda Revenue Authority and a number of awareness campaigns in both print and social media were done. Detailed performance highlighted in Table 8.8.

8.5.2 Uganda Heart Institute Project (Project 1121)

The project commenced in July 2010 and is expected to end in June 2020. The project's main objective is to provide necessary infrastructure for comprehensive clinical care, teaching/training, research and visiting faculty. All these are all necessary to enable the Institute exercise its mandate as a Center of Excellency expected to reverse the trend of referrals. The sub-programme was allocated Ug shs 4.5billion, of which 50% was released and 40% spent by 31st December 2018.

An assortment of medical equipment was planned to be procured in FY 2018/19. These included; one ECMO machine, one Fractional Flow Reserve (FFR) and Intravascular ultrasound (IVUS), two Electrocardiography (ECG) machines, one sternal saw, one pediatric and neonatal ventilator, one operating table, syringe pumps, one stress test machine, one ultrasound machine, one laboratory scientific refrigerator and one water deionizer machine.

New laboratory scientific Refrigerator at UHI, Mulago

By 31st December 2018, procurement of equipment and furniture was underway with some items like heat cooler machines, mobile x-ray, blood bank fridge, one laptop and a printer delivered while others like the Fractional Flow Reserve and Intravascular ultrasound were under procurement. Detailed performance is highlighted in Table 8.8.

Table 8.8: Performance of Uganda Heart Institute by 31st December 2018

Subprogrammes	Out put	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Heart Care Services (02)	Heart operations	4,000	2,054	600	313	46.68	Fairly achieved.
	Heart Research done	34	34	20	16	0.32	Ongoing
	Heart Outreach Services	34	17	30	5	0.14	Ongoing, however the UHI should intensify the prevention aspect of health care.
	Purchase of Specialized Machinery & Equipment	4,500	2,158	1.00	0.16	17.52	Two heat cooler machines worth Ug shs 616million, one mobile x-ray worth Ug shs 170million, laboratory refrigerator worth Ug shs 58million were procured and delivered, while the rest of the equipment was still under procurement.
	Programme Performance (Outputs)					**64.65**	

Source: UHI, IFMS, Field Findings

Implementation challenges

- High staff turnover amidst failure to attract high cadre staff.
- Limited availability of specialized supplies due to budget inadquecies.
- Delayed recruitment of staff by the UHI Board.
- Lack of space in both the Intensive Care Unit (ICU), theaters and general wards.

Conclusion

The UHI achieved 65% of its semi-annual planned outputs. Fair performance was recorded on open and closed heart surgeries with 41% and 50% achievements respectively. The need for staffing, medical supplies and space in the ICU is critical for improved service delivery at the UHI.

Recommendations

- The MoPs and UHI should consider recognition of super-specialized staff in line with other cadres as a motivation strategy to facilitate retention of critical cadres.
- The UHI Board should ensure timely recruitments and deployment of staff at the Institute.
- The MoH, MFPED and Mulago Hospital should explore various funding options to ensure that the contractor (M/s ROKO) gets adequate resources to fast track completion of works to aid service delivery at both the UCI and entire hospital.

8.6 Vote 151 - Uganda Blood Transfusion Services

Background

The UBTS is mandated to collect, process, store, and provide safe blood to all transfusing health units in the country. It operates through a network of six Regional Blood Banks: Gulu, Mbale, Mbarara, Fort Portal, Arua, Nakasero and 7 collection centres at the RRHs of Jinja, Soroti, Masaka, Lira, Hoima, Rukungiri, and Kabale.

The UBTS contributes to **Inclusive and Quality Healthcare Services** sector outcome through making safe and adequate quantities of blood to all health facilities for the management of patients in need of blood transfusion. The UBTS implements Programme 53 (Blood Provision).

8.6.1 Safe Blood Provision (Programme 53)

The programme outcome is provision of quality and accessible safe blood in Uganda. Its main objective is to make available safe and adequate quantities of blood to all health facilities for the management of patients who need transfusion services. It comprises a number of sub-programmes, namely; Administration Sub-Programme 01; Regional Blood Banks (RBB) Sub-Programme 02; Internal Audit Sub-Programme 03 and Uganda Blood Transfusion Service (Project 0242).

Performance

Semi-annual monitoring focused on performance of sub-programme two; Regional Blood Banks and Uganda Blood Transfusion Service (Project 0242). The Programme was allocated Ug shs 19.12 billion, of which Ug shs 10.08 billion was released and Ug shs 7.97 billion spent. The UBTS requested for additional financing (a supplementary budget) of Ug shs 19.4 billion which had not been approved by 31st December 2018.

Overall, physical performance of the programme was poor, with only 45% of the planned targets achieved. Development targets such as remodelling of the cold room was still under procurement, while the ICT equipment such as desktops and zebra printers, hard disk service station, printers and rack brush panel were procured and in use.

Performance of Regional Blood Banks

The five Regional Blood Banks monitored were; Arua, Fort Portal, Gulu, Mbarara and Mbale. None of the blood banks achieved their semi-annual targets 100%. Mbale Regional Blood Bank performed better than all the blood banks at 91%. Fair performers were Masaka at 51% and Fort Portal at 62%. The low performance of some regional blood banks was due to inadequate budget for blood processing, personnel and equipment characerised by frequent breakdowns. This had affected morale of some staff at RBBs. Detailed performance by region is highlighted in table 8.9.

Table 8.9: Performance of Regional Blood Banks by 31st December 2018

Regional blood bank	Target Units	Collected Units	Processed Units	Issued Units	Percent collection against target (%)
Arua	110,00	8,431	***	4,341	77
Fort portal	12,000	7,472	***	5,241	62
Gulu	18,000	14,930	14,832	1,884	83
Masaka blood collection centre	12,000	6,077	***	4,482	51
Mbale	18,000	16,440	16,440	7,001	91
Mbarara	24,000	21,129	***	19,254	88

Source: Field findings *** **Information not readily available**

The Regional Blood Banks got the following supplies and materials; Arua received vacutainers, registration cards, cotton wool, gloves, lancets, capillary tubes, plaster, gauze, sharps container, aprons, bin-liners, Jik, donor pens, donation posters, pasteur pipettes, micro plates, copper sulphate, test tubes, liquid soap, industrial alcohol, BP machine, donor weighing scale, cool boxes, and a pair of scissors among others.

Gulu got equipment such as incubator, automated micro plate washer, micro plate scanner, and UPS among others, and funds for training of health workers on the usage of blood in health facilities, monitoring and evaluation of the blood transfusion services in Acholi and Lango sub regions.

Mbale Regional Blood Bank received training funds from UBTS for the health workers on improving blood usage in health facilities, clinical interface in blood, health workers from transfusing facilities within the Mbale and Soroti sub-regions. Details of overall performance of Programme 53 are presented in table 8.10.

Table 8.10: Performance of the Blood Provision Programme by 31st December, 2018

Output	Annual Budget (Ug shs Million)	Cum. Receipt (Ug shs Milllion)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Units of blood collected, tested and issued	7,708	4,073	300,000	65,318	24.41	The planned target was not achieved.
Blood operations monitored and evaluated	49	20	4	2	0.38	Target achieved.
Laboratory services provided (cleaning, travel inland and maintenance of machinery) provided	2,385	1,237	100	5	17.66	Machine consumables, repairs and services of IT equipment was done by M/s Twincom Technologies Ltd.
Office and ICT Equipment, including Software procured	270	270	100	100	2.07	M/s Linix Info Systems Ltd at Ug shs 133,118,095, supplied desktops and zebra printers, while M/s Kata Technologies and Logistics Ltd at a total of Ug shs 81,971,175 supplied server upgrade equipment, rack brush panel, and tonners. Other items procured were archtech machine consumables, hard disk service station, 2computer printers at Ug shs 27,305,000.
Office and Residential Furniture and Fittings	1,500	375	100	0	0.00	Cold room repairs by M/s M&K Electrical and Plumbing Services at Ug shs 39,648,000. Procurement of a

Output	Annual Budget (Ug shs Million)	Cum. Receipt (Ug shs Milllion)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
procured						contractor for remodeling the cold room was pending.
Station field blood collection vehicle procured	1,000	823	100	0.00	0.00	The Ug shs 90,271,512 was spent on car repairs. Procurement of station blood collection vehicle was ongoing.
Medical equipment procured	100	100	100	60	0.46	A total of Ug shs 64,264,000 was spent on procurement of medical equipment including blood pressure machines, cool boxes, thermometers, kidneys dishes, weighing scales, bowls with covers.
Programme Performance (Outputs)					**44.98**	**Poor performance**

Source: Field Findings

Challenges affecting UBTS

- Blood shortages due to budget inadequacies: There was a mismatch between allocations to blood collection and processing. This led to lack/inadequate screening reagents and other supplies affecting timely processing of blood.
- Faulty or nonfunctional equipment affected blood processing and timely availability. At Mbale Regional Blood Bank the archtech machine i2000 was faulty.
- Inappropriate work environment due to incomplete infrastructure/civil works led to non-use of some equipment. For example, at Arua RBB, the archtech machine could not be reinstalled and used due to its sensitivivity to dust.
- Mismatches between blood demand and supply: Several transfusing facilities requested for blood but were given less units than required. For example Mbarara RRH requested for 3,631 units and received 2,007 units; Mubende RRH requested for 1,334 units and received 787 units; Fort Portal RRH requested for 2,134 units and received 1,449 units. Hoima RRH requested for 2,182 units and received 1,980 units in the period under review.
- Unstable power supply leading to over reliance on the generator hence high operation and maintenance costs at Arua Blood Bank.

- Delayed receipt of funds at the regional blood banks with majority receiving funds at the end of the first month of the quarter. This affects blood collection drives in various areas.
- Lacks of critical equipment like fridges, weighing scales, centrifuges and tube sealers, those available were very old and frequently broke down. Lack of enough storage capacity often led to blood expiries in various RBBs.
- Shortage of staff at the blood banks: Most blood banks were under-staffed and mostly supported by volunteers in critical positions. Staff shortage is occasioned by inadequate wage bill to enable recruitment of the necessary staff to fill the vacant positions.
- Lack of well-functional transport equipment: The vehicles for blood collection are too old and frequently break down, this increased the maintenance cost and constrains routine blood collection activities. The fleet of vehicles havd moved for more than 400,000km and were overdue for write off.
- Delays initiation of procurement under the development grant.

Conclusion

The UBTS overall performance was poor at 45% achievement of semi-annual targets. Delayed initiation of procurement affected the development grant, while timely availability of safe blood was mainly affected by inadequate funds for processing and storage. Since blood provision is a preserve of UBTS, there is urgent need to prioritize the required funding to ensure reliable and efficient blood provision to improve the health outcomes. There is also need to fully institutionalize the distribution function to the blood banks as many health facilities lack blood due to lack of transport means to collect the blood.

Recommendations

1. The UBTS, NMS, MoH and MFPED should ensure harmonized planning for blood collection, processing, storage, and transportation among others.
2. The UBTS should roll out the piloted blood distribution method to curb the constant blood shortages and wastage of blood.
3. The UBTS should prioritize procurement of blood collection vehicles in a phased manner to have a sufficient and sustainable fleet for improved collections and distribution.
4. The MoPS, HSC and UBTS should work together and ensure review of the staffing structure to match new demands, recruitment and deployment of critical staff for blood collection should be prioritised.
5. Blood collection and Transfusion committees should be re-introduced and strengthened to monitor blood operations in various health facilities to avoid wastage of blood.

8.7 Butabika National Mental Referral Hospital (Vote 162)

Background

The hospital is mandated to; provide super specialized tertiary health care, train health workers and conduct mental health research as per the requirements of the MoH. The hospital implements only one Programme-Provision of Specialized Mental Health Services and two sub-programmes. These are; Management and Internal Audit.

Semi-annual Monitoring focused on the two projects implemented under Sub-Programme One-Management. These were: Butabika Remodeling Project (0911) and Institutional Support to Butabika Hospital (1474).

The vote /programme was allocated Ug shs 14.752 billion, of which Ug shs 7.670 billion (52%) was released and Ug shs 6.427 billion (83.8%) spent by 31st December, 2018. The allocation was Ug shs 4billion over and above the previous allocation of Ug shs10.9billion in FY 2017/18. Detailed programme performance is highlighted below;

Performance

8.7.1 Management (Sub-Programme 01)

This includes Administration and Management and of all Medical Services under Inpatient, Outpatient, and Community Health Services Departments.

During FY 2018/19, the Sub-programme was allocated Ug shs11.21billion, of which Ug shs 5.84 billion was released and Ug shs 5.05billion (86.3%) spent. Unspent balances were recorded on staff salaries, gratuity expenses, allowances, special meals and drinks among others.

The hospital registered good performance in achievement of targets set under mental health Inpatient Services provided, which were: Investigations, Admissions, X-rays and Ultra Sounds. These were achieved at 89%, 0% was recorded under X-ray investigations due to lack of an x-ray machine; Ultra-Sound investigations at 34% due to frequent breakdown of the machine; Specialized Outpatient and Primary Health Care (PHC) services achieved at 93% while Specialized Outpatient and PHC Services were achieved at 125%.

Areas of Nkokonjeru, Nansana, Kitetika, Kawempe Katalemwa and Kitebi were covered during the outreach programme and 2,624 mental patients were seen. Detailed performance of the sub-programme are highlighted in Table 8.11.

8.7.2 Butabika Remodeling Project (0911)

The project commenced in July 2015 and is expected to end in July 2020. It is aimed at increasing access to quality mental health services through provision and utilization of promotive, preventive and rehabilitative services. The project registered a number of achievements including procurement of specialized medical equipment, construction of a private wing, and an Alcohol and Drug Unit (ADU) among others.

In FY 2018/19, the project was allocated Ug shs 1.30 billion, of which Ug shs 0.65 billion (50%) released and Ug shs 0.43 billion (66%) spent. The hospital planned construction of a three storey six-unit staff house and the 12-month contract was awarded to M/s Alliance Technical Services at a sum of Ug shs 1.4billion and agreement signed on 15th November 2018. In terms of progress, the contractor had fully mobilized, works had commenced and were at foundation level by 31st December 2018. Advance payment of Ug shs 432million was paid to the contractor during the period under review. Details in Table 3.11.


Left: Ongoing construction works on the six unit staff house. Right: Newly procured furniture at Butabika Hospital

8.7.3 Institutional Support to Butabika National Referral Hospital (1474)

The project is aimed at continuously procuring and replacing obsolete equipment. It commenced in July 2017 and is expected to run up to June 2022. It is also expected to contribute towards increased access to quality mental health services.

In FY 2018/19, the project was allocated Ug shs 508million, 100% of the budget was released and 70% spent. Expenditures were mainly on construction of kitchen stoves, and equipping the newly constructed Alcohol Drug Unit (ADU). Other outputs like procurement of computers and medical equipment were ongoing. The project achieved two out four set targets. Details in Table 8.11.

Table 8.11: Performance of Butabika Hospital as at 31st December 2018

Subprogramme	Output	Annual Budget (Ug shs)-Mill	Cum. Receipt (Ug shs)-Mill	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Management Services	Mental Health inpatient Services provided	2,893	1,446	45,100	19,952	51.66	Admissions 39%; Investigations in the Lab 51%; X-rays 0%; and Ultra Sounds 34%.
	Specialized Outpatient and PHC Services	108	54	79,202	36,665	2.03	Mental Health attendances 56%; Child Mental Health Clinic attendances 54%;

Subprogramme	Output	Annual Budget (Ug shs)-Mill	Cum. Receipt (Ug shs)-Mill	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
	Provided						Alcohol and Drug Unit Attendances 32%; General Mental Attendances 39%.
	Community Mental Health Services and Technical Supervision	145	72	4,503	2,829	2.94	Outreach clinics conducted in the areas 50%; Male and female patients seen 75%; Regional Referral Hospitals visits 33%; Patients resettled 19%.
Institutional Support to Butabika Hospital (1474)	Other structures-Kitchen stoves constructed	50	50	2	2	1.01	Works were completed and handed over.
	Medical Equipment procured	100	100	1	0	0.00	Under procurement.
	Furniture and fixtures for ADU procured	300	300	122	122	6.05	Furniture was procured from M/s Josu Limited at Ug shs 192.4million. It included 70 hospital beds, 50 bedside lockers and two medicine trolleries.
	ICT Equipment procured	58	58	1.00	0	0.00	Under procurement.
Butabika and health center remodeling/construction	Staff houses constructed	1,300	650	1.00	0.08	4.20	Contract signed and works ongoing.
Programme Performance (Outputs)						**67.89**	**Fair Performance**

Source: IFMS, Field findings

Challenges to service delivery

- Inadequate staffing due to delays in approval of the revised staffing structure. This leaves the hospital lacking critical staff like Social workers, Psychologists, Counselors among others.
- Frequent breakdown of machines like the Ultra Sound Machine affecting diagnostic services. Service delivery was heavily affected by lack of an X-ray machine, which had not been in place for the last three years and the hospital continued to refer patients to Naguru and other private facilities for X-ray investigations.

Recommendations

- The Cabinet and MoPS should fast track the approval and allow implementation of the new structure for both National and Regional Referral Hospitals for effective service delivery.
- The admnistration of Butabika Hospital should prioritize procurement of an X-ray equipment on their development budget to improve diagnostics at the hospital.

Conclusion

The overall performance of the hospital was fair at 68%, with a contract for staff houses signed and works commenced, procurement of furniture for the Alcohol and Drug Unit finalized. The hospital registered good performance in achievement of inpatient, specialized outpatient attendances and outreach programs. Challenges related to lack of equipment and adequate staff continued to undermine health service delivery at the hospital.

8.8 Regional Referral Hospitals (Vote 163- 176)

Background

Regional Referral Hospitals offer specialist clinical services such as psychiatry, Ear, Nose and Throat (ENT), ophthalmology, higher level surgical, medical services, and clinical support Services (laboratory, medical imaging, and pathology). Regional Referral Hospitals implement Programme 56 (Regional Referral Hospital Services). The programme is expected to contribute towards provision of quality, inclusive and accessible services through provision of specialized curative, preventive, promotive and rehabilitative health services. Performance of the programme is detailed below.

Regional Referral Hospital Services (Programme 56)

The main programme objective is to ensure **quality and accessible** referral hospital services countrywide indicated by an annual increase in specialized clinic outpatient attendances; percentage increase in diagnostic investigations carried; Average length of stay and the bed occupancy rate.

In order to attain the above, RRHs implement four sub-programmes. These include; Referral Hospital Services (Sub-programme one), Referral Hospital Internal Audit (Sub-programme two), Regional Maintenance (Sub-programme three), Rehabilitation Referral Hospital and Institutional Support to Regional Referral Hospitals (Sub-programme four).

The semi-annual monitoring focused on assessment of Referral Hospital Services (Sub-programme one); two development Grants-Rehabilitation of Regional Referral Hospitals (Project 1004) and Institutional Support to Regional Referral Hospitals (Retooling projects) in achievement of set outputs for all the 14 RRHs.

All hospital Rehabilitation Projects (Project 1004) commenced in July 2015 and were expected to be completed in June 2020. They all contribute **to improved quality, inclusive and accessible services** sector outcome through construction and rehabilitation of the health infrastructure. Institutional Support Projects (Retooling) commenced in July 2017 and were expected to end in June 2020. The main objective is to improve hospital support services for improved service delivery.

Performance

The RRHs were allocated a total of Ug shs 125.7billion, of which Ug shs 71billion (56%) was released and Ug shs 57billion (62%) spent by 31st December 2018. Unspent balances were mainly on the wage component of the budget.

Overall, the regional referral performance was fair at 56% achievement of the semi-annual targets. Good performers among RRH were; Hoima 90%, Fort Portal at 75%, Moroto 73%, Gulu 74% and Kabale 87% RRH, which were implementing rolled over projects. Fair performers were Masaka RRH 69%, Mbarara RRH 50%; Arua RRH 68%; with the first phase for construction of the Ground floor slab for staff houses at 50% complete.

Poor performing Regional Referral Hospitals were; Lira at 38%, Mbale at 22%, Soroti at 43%, Mubende 12% and China Naguru Friendship Hospital (40%). Detailed performance is highlighted hereafter.

8.8.1 Vote 163 - Arua Regional Referral Hospital

Background

The hospital implements four Sub-programmes. These are: Arua Referral Hospital Services (Sub-programme one); Arua Referral Hospital Internal Audit (Sub-programme two): Arua Regional Maintenance (Sub-programme three); Arua Rehabilitation Referral Hospital (Project 1004); and Institutional Support to Arua Regional Referral Hospital (Project 1469). The semi-annual monitoring focused on Arua Referral Hospital Services (Sub-programme one) and two development projects.

Performance

Overall, the hospital's performance was fair at 68.4% of the semi-annual targets achieved. The hospital planned to implement majority of development outputs in the third and fourth quarters.

The programme/vote was allocated Ug shs 9.483 billion, of which Ug shs 5.008 billion (52%) was released and Ug shs 3.650 billion (72%) spent. Detailed performance by sub-programme is highlighted below.

Arua Referral Hospital Services (Sub-programme one)

The Inpatient, Outpatient, Diagnostic, Prevention and Rehabilitation Services were monitored. The sub-programme was allocated Ug shs 8.03billion, of which Ugshs 4.01billion was released and Ug shs 3.30 billion (82%) spent by 31st December 2018. Physical performance score on the above services was good at 89%. The targets on inpatients, prevention, rehabilitation and diagnostic services were 100% achieved. Detailed performance is indicated in Table 8.12.

Arua Rehabilitation Referral Hospital (Project 1004)

The project commenced in July 2015 and is expected to be completed in June 2020. It contributes to improved quality, inclusive and accessible services sector outcome through construction and rehabilitation of staff accommodation. This is expected to translate into attraction, retention and duty attendance especially emergencies by health workers.

The project was allocated Ug shs 940 million, of which Ug shs 800million was released and Ug shs 226.45 million spent. The hospital had commenced foundation works for a seven-storey staff house. The project was behind schedule with overall physical progress of 4% against the planned 6%. This was partly due to the heavy rains that disrupted the excavation of the foundation and other substructure works.

The construction works were contracted to M/s WAP Engineering Limited at a cost of Ug shs 8.503billion. The project is divided into four phases for a period of three years ending May 2021. M/s Quantum Associated Engineers are supervising the works at a cost of Ug shs 850million. Both the contractor and consultant were on site at the time of the monitoring visit in January 2019. Detailed project performance is highlighted in Table 8.12.

Institutional Support to Arua Regional Referral Hospital (Project 1469)

The project was allocated Ug shs 120 million, of which 20% was released and non-spent by 31st December 2018. However, the hospital had received 18 solar batteries of 200Ah 12volts supplied by OS power through a framework contract. These were to be installed in the Ear, Nose and Throat unit, Maternity and Peadiatric units. Other planned outputs under the project were planned in the third and fourth quarters. Detailed performance is highlighted in Table 8.12.

Table 8.12: Performance of Arua RRH by 31st December, 2018

Sub programme	Output	Annual Budget (millions Ug shs)	Cumulative Receipt (Millions Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remark
Arua Referral Hospital Services	Inpatient Services	329.198	164.509	29,085	13,933	19.35	Performance affected by under staffing, un availability of chemistry reagents, and medical supplies.
	Outpatient Services	148.586	74.494	197,000	81,181	7.49	
	Diagnostics Services	33.949	18.253	169,500	73,641	1.68	
	Prevention and rehabilitation services	31.306	15.563	91,500	48,775	1.92	
	Immunization services	28.017	14.008	54,000	32,186	1.72	
Rehabilitation of the regional Referral hospitals	OPD and other ward construction and rehabilitation	137	00	00	00	0.00	Demolition of the OPD had not started.
	Staff house construction and rehabilitation	800,	800	0.7	0.5	36.25	The project was behind schedule at 4% physical progress.
Institutional Support to Arua Regional Referral Hospital	Purchase of specialised Machinery and equipment	80	00	1.0	00	0.00	Output planned for Q3.
	Purchase of medical equipment	18	00	1.0	00	0.00	Not undertaken.
	Purchase of medical equipment	25	25	1.0	00	0.00	Procured 18 solar batteries
Programme Performance (Outputs)						**68.41**	**Fair performance**


L-R: Construction of the substructure for the staff houses; Batteries procured

Challenges faced by the hospital

- Unavailability of laboratory reagents and accessories used for chemistry analysis making some vital tests like Cell Blood Count, Blood Culture, and Hormonal Level Test impossible to be undertaken.
- The hospital is grossly understaffed in all cadres, for example there are only two consultants out of 11, three medical officers' special grade out of 14, and a lot of positions remained vacant in the nursing and Allied Health Workers categories. This constrains service delivery and causes health workers burn out due to the large volume of patients attended to every day.
- Unstable power supply causing over reliance on the generator with its high operation costs, the problem is worsened by limited allocations to utilities to meet the consumption requirements.
- Inability to provide food to psychiatric patients due to inadequate budget provisions. The hospital was feeding only those without attendants (patients are picked from the streets).

Recommendations

- The MEMD/UETCL should fast track the construction of the transmission lines to West Nile areas to enhance power quality and reliability.
- The hospital should prioritise utility saving options to enhance health service delivery in the region.

8.9.2 Vote 164 - Fort Portal Regional Referral Hospital

The hospital implements four Sub-programmes. These are: Fort Portal Referral Hospital Services (Sub-programme one); Fort Portal Referral Hospital Internal Audit (Sub-programme two); Fort Portal Regional Maintenance (Sub-programme three); Fort Portal Rehabilitation Referral Hospital (Project 1004), and Institutional Support to Fort Portal Regional Referral Hospital (Project 1470).

The semi-annual monitoring focused on Fort Portal Referral Hospital Services (Sub-programme one) and the two development projects. The programme was allocated Ug shs 9billion, of which Ug shs 4.6billion (51%) was released and Ug shs 3.3billion (71%) spent. Overall, the hospital's performance was good 75%. Good performance was registered in construction of staff houses. These were at substantial completion. Poor performance was however noted on the provision of medical services and retooling Subprograms. Performance is detailed in Table 8.13.

Performance

Fort Portal Referral Hospital Services (Sub-Programme one)

The average performance for Medical Services was poor at 43% with Inpatient services achieving 84.2%; Out Patient attendance at 32%; Diagnostic Services 56.8%; Immunization Services 40.9%; and Prevention and Rehabilitation Services (Family Planning and ANC visits) at 9.7%. The hospital under performed on all the indicators except inpatient services. Reduction in the outpatient numbers was attributed to distribution of mosquito nets, which led to reduction in malaria cases and thus OPD attendances. Additional information in Table 8.13.

Fort-Portal Rehabilitation Referral Hospital (Project 1004)

The project was allocated Ug shs 1billion, of which Ug shs 610million (57%) was released and only Ug shs 240million (39%) spent by 31st December 2018. M/s Aswangah Construction Services Limited is undertaking the works at a sum of Ug shs 2.5billion. Civil works commenced on 3rd July 2017 and were expected to be completed within 20 months (to 3rd March 2019).

Staff hostel at substantial completion at Fort Portal RRH

Works had progressed well and physical performance was at 81% against 50.4% financial progress. In terms of time progress, 18.2 out of 20 months had elapsed (91%). The project was at finishes level, tiling, electrical installations, internal painting and external works were ongoing. During FY 2018/19, the contractor was paid Ug shs 240million. Additional information in Table 8.13.

Institutional Support to Fort-Portal Regional Referral Hospital (Project 1470)

The approved budget was Ug shs 160 million, which was all, released and 0% spent. Planned outputs included purchase of laundry equipment at a cost of Ug shs 120million, and assorted medical equipment at Ug shs 40million. The outputs were not achieved by 31st December 2018, however the procurement process had commenced. Table 8.13 highlights summarized performance of selected sub-programmes.

Table 8.13: Performance of Fort-Portal RRH by 31st December 2018

Subprogramme	Out put	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Project 1004 Fort Portal Rehabilitation Referral Hospital	Construction of the staff hostel	900	450	0.80	0.81	45.68	On course with general finishes ongoing.
Institutional Support to Fort-Portal Regional Referral Hospital (Project 1470).	Purchase of Medical Equipment	160	160	1.00	-	-	Under procurement
Medical Services	Inpatient services	524	246	30,000	11,847	22.43	Good performance
	Out Patients	233	233	300,000	95,481	3.77	Not Achieved
	Diagnostic services	81	81	270,000	153,350	2.34	Not Achieved
	Immunization Services	31	30	40,000	15,947	0.64	Not Achieved
	Prevention and Rehabilitation Services	40	40	60,000	5,833	0.20	Not Achieved
Programme Performance (Outputs)						**75%**	**Fair performance**

Source: Field findings, IFMS

Implementation Challenges

- Lack of reagents coupled with inadequate staffing in the laboratory contributed to poor performance of diagnostics

- Drug stock outs partially due to limitations in the budget.

8.8.3 Vote 165: Gulu Regional Referral Hospital

The hospital implements five Sub-programmes. These are: Gulu Referral Hospital Services (Sub-programme one); Gulu Referral Hospital Internal Audit (Sub-programme two); Gulu Regional Maintenance (Sub-programme three); Gulu Rehabilitation Referral Hospital (Project 1004) and Institutional Support to Gulu Regional Referral Hospital (Project 1468). The semi-annual monitoring focused on Gulu Referral Hospital Services (Sub-programme one), and the two development projects.

Performance

Regional Referral Hospital Services Programme was allocated Ug shs 8.64 billion, of which Ug shs 74.74 billion (54.8%) was released and Ug shs 4.18 billion (88.2%) spent by 31st December 2018. Overall, the hospital's performance was fair at 68.5% of the semi-annual targets achieved. Detailed performance by subprogram is highlighted below.

Gulu Referral Hospital Services

Outputs monitored under the sub-programme are: Inpatient, Outpatient, Diagnostic, Prevention and Rehabilitation Services. The sub-programme was allocated Ug shs 6.97 billion, of which Ug shs 3.56 billion (51%) was released and Ug 3.01 billion (84.7%) spent. The targets on inpatients, outpatients and prevention rehabilitation services performing above 90%. Targets for diagnostics were poorly achieved; this was attributed to unavailability of laboratory reagents and a faulty chemistry analyzer.

Gulu Rehabilitation Referral Hospital (Project 1004)

The project commenced in July 2015 and is expected completion is June 2020. It contributes to improved quality, inclusive and accessible services sector outcome through construction and rehabilitation of staff accommodation.

The project was allocated Ug shs 1.24billion, of which Ugshs 0.94billion was released and Ug shs 0.93billion spent by 31st December 2018. The hospital planned to continue with construction works on the second and third slab of the 54-unit staff house. M/S Block Technical Services was awarded the contract to undertake works at Ug shs 6.2billion. Works commenced on 26th April 2015 and were expected to end on 28th November 2017. The project has faced a number of extensions due to limited funds. The contractor has enormously been constrained by limited financing to complete works in scheduled time. By January 2019, the physical progress of works was estimated at 45%. Detailed sub-programme performance is shown in table 8.13.

Institutional Support to Gulu Regional Referral Hospital (Project 1468)

The project was allocated Ug shs 250million, of which Ugshs 150million was released and 100% spent by 31st December 2018. Expenditures were mainly on the purchase of assorted medical equipment from St. Jude Electrical and Medical equipment workshop; Overhaul and repair of the 50kVA generator and construction of the generator house. Among the equipment procured included the oxygen regulators, patient trollies, trash bins, glucometers, nebulizers, suction machines, oxygen concentrators' diathermy machine, and weighing machines among others. Detailed sub-programme performance is shown in table 8.13.

Table 8.13: Performance of Gulu RRH by 31st December 2018

Sub programme	Output	Annual Budget (millions Ug shs)	Cumulative Receipt (millions Ug shs)	Annual Target	Cumulative Achieved	Weighted Physical performance Score (%)	Remarks
Gulu regional referral hospital services.	Inpatient services	320.937	160.468	24,000	13,091	14.30	This performance is attributed to understaffing, absence of reagents and breakdown of the chemistry analyzer.
	Outpatient services	358.886	179.442	21,010	143,617	15.99	
	Diagnostic services	42	21	18,750	10,936	0.22	
	prevention and rehabilitation services	35	17.5	105,000	51136	1.52	
Rehabilitation of regional referral hospitals project	Hospital construction /rehabilitation	300	300	5	2	5.35	Sewerage system was rehabilitated.
	Staff house construction and rehabilitation	600	300	1	0.45	24.06	Civil works were behind schedule.
	Purchase of Motor Vehicles and Other Transport Equipment	300	300	1	0.00	0.00	Money was paid before delivery of the motor vehicle.
	Purchase of Specialised Machinery & Equipment	40	40	1	1.	1.77	The generator was overhauled and repaired but was not tested.
Institutional support to Gulu regional referral hospital	Purchase of Specialised Machinery & Equipment	248	148	1	0.60	11.04	Assorted medical equipment was procured.
Programme Performance (Outputs)						**74.23**	**Good performance**

Source: Field findings and IFMS

Challenges

- Poor planning as the project cost was higher than the MTEF ceiling within the contract period resulting into endless contract extensions.
- Inadequate staff accommodation facilities with only 18% of health workers accommodated at the hospital. It was observed that the hospital experiences high staff turnover partly due to lack of accommodation. For example, three staff from the radiology unit left causing the closure of the Radiology Department.
- Stock out of the laboratory reagents affected service delivery.
- Inadequate PHC non-wage to enable the hospital to offer meals to the mentally ill patients who require proper feeding to attain fast healing.
- Lack of an efficient ambulance for referral. The existing one is old with very high maintenance costs.

8.8.4 Vote 166 - Hoima Regional Referral Hospital

The hospital implements four Sub-programmes. These are: Hoima Referral Hospital Services (Sub-programme one); Hoima Referral Hospital Internal Audit (Sub-programme two); Hoima Regional Maintenance (Subprogramme three); Hoima Rehabilitation Referral Hospital (Project 1004) and Institutional Support to Hoima Regional Referral Hospital (Project 1480). The semi-annual monitoring focused on Hoima Referral Hospital Services (Sub-programme one), and the two development projects.

Performance

The programme was allocated Ug shs 9.2billion, of which Ug shs 4.6billion (50%) was released and Ug shs 3.9million (85%) spent. The overall physical performance for set targets was very good at 90%. The hospital surpassed targets under Medical Services. Good performance was noted at the development project with the lagoon at substantial completion. Walk way constructed and toilets renovated at the Maternity and Gynecology wards. Medical equipment under the Institutional Support to Hoima Regional Referral Hospital was still under procurement. Detailed performance of the hospital is highlighted in Table 8.14.

Hoima Referral Hospital Services (Sub-Programme one)

The sub-programme was allocated Ug shs 7.83billion, of which Ug shs3.9billion (108%) was released and Ug shs 3.14billion (79.6%) spent. Diagnostic Services were achieved at 97.1%; Immunization Services at 100%; Inpatient Services at 100.3%; Outpatient Services at 137.8%; Prevention and Rehabilitation Services at 184.9%. Additional information is in Table 8.14.

Hoima Rehabilitation Referral Hospital Project 1004)

The hospital planned to complete its fencing, and construction of the lagoon; Construction of the walkway from Maternity Wards to Main Operating Theater; Renovation of the Maternity and Gynecology Ward toilets. The overall physical performance of the fence remained at 95% since FY 2017/18, the contractor M/s Davrich Company (U) Limited abandoned site. Efforts to have them complete works were futile, although they were paid 90% of the contract sum.[35]Pending works included; electrical works, installation of a closing off gate and other finishes.

The construction of the lagoon was awarded to M/s Techno Three (U) Limited for a period of 13 months ending September 2018. The works were contracted at a sum of Ug shs 1.2billion and supervised by M/S Joadah Consult. By 31st December 2018, overall physical progress was 92%. Cumulatively, the contractor was paid Ug shs 607million. Pending works included landscaping and connections to the main hospital system. Works weree expected to be completed in March 2019.

M/s Byonta Construction Company Limited constructed the walkway from the Maternity Wards to main Operating Theater; and renovated the Maternity and Gynecology Ward toilets at a sum of Ug shs 18million and Ug shs 26million respectively. Works started on 28th May 2018 and were completed on 2nd August 2018. Works for the walkways were completed and 100% of the payments made on 20th December 2018. A total of Ug shs 21million was paid for the Maternity and Gynecology toilets where physical progress was at 75%. Additional information in Table 8.14.

Lagoon at Substantial Completion at Hoima RRH

Institutional Support to Hoima Regional Referral (Project 1480)

The project was allocated Ug shs 100million, 50% was released and Ug shs 17.1million spent by 31st December 2018. Expenditures were made on procurement of furniture and computers. Furniture worth Ug shs 12million, and computers worth Ug shs 5.1million were procured and delivered from M/s Johns Stores Limited. These included 10 chairs, filing cabinets and waiting chairs. Summarized performance is indicated in Table 8.14.

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[35] Contract sum was Ug shs 887.259million

Table 8.14: Performance of Hoima RRH by 31st December 2018

Subprogrammes	Out put	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Project 1004 Hoima Rehabilitation Referral Hospital	Construction of a perimeter fence completed	450	165	0	0.00	0.000	Contractor had abandoned site, 5% of the works were not yet done.
	Construction of a lagoon completed	510	315	0	0.10	5.334	At substantial completion.
Institutional support to Hoima RRH	Purchase of medical equipment	100	50	1	0.24	0.620	Medical equipment was still under procurement.
Medical Services	Diagnostic services	18	9	110,100	53477	0.233	Good performance at 97%.
	Immunization Services	46	46	32,000	32,000	0.594	Good performance, this was attributed to supply of Hepatitis B vaccines.
	Inpatient services	6,285	3,142	24,400	12,231	81.201	Good performance, the hospital surpassed target.
	Outpatient services	191	95	240,000	165,363	2.470	Good performance, the hospital surpassed target.
	Prevention and Rehabilitation Services	139	69	34,000	31,317	1.800	Good Performance, the hospital surpassed target.
	Programme Performance (Outputs)					**90.453**	**Very Good performance**

Source: Field findings, IFMS

8.8.5 Vote 167 - Jinja Regional Referral Hospital

The hospital implements five Sub-programmes. These are: Jinja Referral Hospital Services (Sub-programme one); Jinja Referral Hospital Internal Audit (Sub-programme two); Jinja Regional Maintenance (Subprogram three); Jinja Rehabilitation Referral Hospital (Project 1004) and Institutional Support to Jinja Regional Referral Hospital (Project 1481). The semi-annual monitoring focused on Jinja Referral Hospital Services (Sub-programme one), and the two development projects.

Performance

Regional Referral Hospital Services Programme was allocated Ug shs 11.64billion, of which Ug shs 7.06bilion was released and Ug shs 4.43billion spent by 31st December 2018. Overall, the hospital's performance was poor at 40.6%. The fair performance was attributed to delayed start of the development planned projects. Detailed performance by subprogramme is highlighted below.

Jinja Referral Hospital Services

The sub-programme is comprised of six outputs of which four were monitored these included; Inpatient, Outpatient, Diagnostic, Prevention and Rehabilitation Services. The sub-programme was allocated Ug shs 9.98billion, of which Ug shs 5.60billion was released and Ug shs 4.05billion spent by 31st December 2018. The targets for inpatients, outpatients and diagnostic services were 100% achieved. Detailed performance is indicated in table 8.15.

Jinja Rehabilitation Referral Hospital (Project 1004)

The project commenced in July 2010 and its expected completion is June 2020. The main project objective is to improve health care and patient safety, to motivate staff to work in a better environment, to improve effective and efficiency of hospital service hence improving quality of services at Jinja RRH.

The project was allocated Ug shs 1.36billion, which was 100% released and Ug shs 0.36billion spent by 31st December 2018. The project performance was poor with the major planned outputs under procurement. However, the hospital completed works rolled over at the children's ward. These included partial wall fence construction, tarmacking of the parking and driveway, and construction of external toilets by M/s Mercy Commercial Agencies Limited. Works were at substantial completion with outstanding works on the toilets and wall fence. Detailed performance is indicated in table 8.15.

Institutional Support to Jinja Regional Referral Hospital (Project 1481)

The project was allocated Ug shs 190million, of which Ug shs 90million was released and Ug shs 28.55million spent by 31st December 2018. Expenditures were mainly on payment for equipment that had earlier been procured (in FY2017/18) but Crown Health Care had not delivered them. These included 20 pieces of ward screens, electrical centrifuge and wall mounted otoscope. Detailed performance is indicated in table 8.15.

Table 8.15: Performance of Jinja RRH by 31st December 2018

Subprogram	Output	Annual Budget (million Ug shs)	Cum. Receipt (million Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Regional referral hospital services	In Patients Services	356.1	191.603	30,071	23499	16.564	Targets achieved
	Outpatients services	120.9	59.96	252,528	129499	5.623	
	Diagnostics services	97.35	21.3375	156,102	113085	4.528	
	Prevention services	22.45	0	37,439	15309	0.854	
Rehabilitation of regional referral Hospitals	Consultancy services for the construction of the staff quarters provided	100	100	1.00	0.80	3.72	The consultant to supervise the works was procured.
	Hospital construction and rehabilitation	200	200	1.00	1.00	9.30	Renovation of Nalufenya Children's Ward was undertaken, and renovation of terrazzo for the psychiatric ward.
	Staff house construction and rehabilitation	1,000	1,000	1.00	0.00	0.00	Advertised, bid opening was expected on 21st February 2019.
	Arrears	64.933	64.933	1.00	0.00	0.00	Retention for the private wing was paid in January 2019.

Subprogram	Output	Annual Budget (million Ug shs)	Cum. Receipt (million Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Institutional Support to Jinja Regional Hospital	Purchase of specialised equipment	188	94	1.00	0.00	0.00	The hospital finalized procurement contracts from FY17/18 by procuring 20 ward screens, one electrical centrifuge and a wall mounted otoscope.
Programme Performance (Outputs)						**40.60**	**Poor performance**

Source: Field findings and IFMS

Left: Wall fencing and right substantially completed toilets at Nalufenya Children's Ward

Challenges

- Late initiation of procurement for the staff house and other projects under institutional support due to poor planning. The bid closure date for construction of staff house was for instance on 21st February 2019.
- High operational costs at Jinja RRH for its two campuses ***(****Nalufenya Children's Hospital and the main Regional Referral Hospital)*. Available resources are divided between the two entities that operate as two fully fledged hospitals.
- Understaffing due to inadequate and outdated staffing structure. In addition, the staffing structure does not provide for super specialized cadres who have completed medical fellowships.
- Inadquate space: The children's ward at JRRH is too congested, and this might cause re-infections among the children.

- Limited operation budget where over 50% of the non-wage recurrent budget is meant for the payment of utilities, pensions and gratuity leaving other budgetlines constrained.

8.8.6 Vote 168 - Kabale Regional Referral Hospital

The hospital implements five Sub-programmes. These are: Kabale Referral Hospital Services (Sub-programme one); Kabale Referral Hospital Internal Audit (Sub-programme two); Kabale Regional Maintenance (Sub-programme three); Kabale Rehabilitation Referral Hospital (Project 1004) and Institutional Support to Kabale Regional Referral Hospital (Project 1473). The semi-annual monitoring focused on Kabale Referral Hospital Services (Sub-programme one) and the two development projects.

Performance

The programme was allocated Ug shs 8billion, of which Ug shs 4.4billion (55%) was released and 68% spent. The hospital registered good performance in achievement of set targets (87%). The works at the intern's hostel were ahead of schedule, while medical services were fairly achieved. Detailed programme performance is highlighted below and in Table 8.16.

Kabale Referral Hospital Services (Sub-Programme one)

The Sub-programme was allocated Ug shs 1.2billion, of which Ug shs 600million was released (50%) and Ug shs 399million (67%) spent. The hospital spent only 19% of the gratuity allocation, the rest remained unutilized. The sub-programme registered very good performance in achievement of medical services with Immunization, Inpatient and Outpatient services achieving by over 100%. Diagnostic Services at 95%. Fair performance was recorded on prevention and rehabilitation services 62%. Additional information is in table 8.16

Kabale Rehabilitation Referral Hospital (Project 1004)

The project was allocated Ug shs 1.1billion, of which Ug shs 915million (77%) was released and only Ug shs 232milion spent (25%). This was paid to M/s Musuuza Building Contractors Limited and Fencon Consulting Limited for construction and supervision services at the intern's hostel. During FY 2018/19, the construction of the intern's hostel was prioritized again. All works were contracted at a sum of Ug shs 7.074billion and implementation was phased. The current phase (under review) was awarded at Ug shs 3.8billion, others had not commenced.

Civil works were ongoing and ahead of schedule by 6%. In terms of time progress, the contractor had worked for 20 out of 36 months (57%). Variations due to changes in the concrete requirements were noted. These were estimated at 25% of the item budget. The client disagreed with the variation costing and sought legal advice from the Office of the Solicitor General (SG), which had not been received by 31st December 2018.

Other works under Project 1004 included; Renovation of the Medical Ward. Works were done by M/s Gist Technologies Limited at as sum Ug shs 32million, and these commenced in November 2018. By 24th January 2019, 80% of the works were completed including painting, ceiling works, gutters, doors, floor renovations among others.

M/s Masa Contractors Limited at a sum of Ug shs 10million constructed the security guard house. The house was completed and handed over to the hospital. No payments were paid for both projects by 31st December 2018. Additional information is in table 8.16.

Implementation Challenges

- Erratic weather conditions affected progress of works.
- Unavailability of some construction materials, some of which had to be purchased from Kampala.

Institutional Support to Kabale Regional Referral Hospital (Project 1473)

The project was allocated Ug shs 323million, of which Ug shs 235million was released and only Ug shs 4.6million spent. M/s Denlyn Limited was paid for construction of the sluice in the theater. Works were completed and the sink was in use. Other project outputs were under procurement process as highlighted in table 8.16.

Table 8.16: Performance of Kabale Regional Referral Hospital Services Programme by 31st December 2018

Subprogramme	Out put	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Project 1004 Kabale Rehabilitation Referral Hospital	Interns hostel constructed	1,165	915	0.57	63	40.83	Ahead of schedule.
	Monitoring and supervision of the interns hostel	100	100	0.57	63	3.50	Works were supervised by M/s Fencon Consulting Limited. The consultant was paid Ug shs 96million. Good progress was noted.
	Renovation of the Medical Ward and other structures	35	35	2.00	1.80	1.10	Works at substantial completion with the guard house handed over to hospital and in use
Institutional Support to Kabale Regional Referral	Specialised Machinery & Equipment procured	120	120	1.00	0.00	0.00	Under procurement.

Subprogramme	Out put	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Hospital (1473)	Medical Equipment Procured	93	5	1.00	0.01	0.61	Sluice was constructed and connected to the theatre. Works were completed and the facility was in use
	Furniture & Fixtures procured	60	60	1.00	0.00	0.00	Under procurement.
Medical Services	Diagnostic services	35	17	47,500	22522	1.17	Fairly achieved at 47%.
	Prevention and rehabilitation services	78	39	16,800	5243	1.73	Not achieved. Targets under Physiotherapy were not achieved.
	Inpatient services	878	439	13,000	7066	30.77	These targets were affected by staff transfers with few replacement in the hospital.
	Outpatient services	174	87	69,000	50710	6.11	Fairly achieved at 77%.
	Immunisation	33	16	25,000	14201	1.19	Fairly achieved, 57% of the targets were achieved
Programme Performance (Outputs)						**87.01**	

Source: Field Findings, IFMS

8.8.7 Vote 169 - Masaka Regional Referral Hospital

The hospital implements three Sub-programmes. These are: Masaka Referral Hospital Services (Sub-programme one); Masaka Referral Hospital Internal Audit (Sub-programme two); and Masaka Rehabilitation Referral Project (1004). The semi-annual monitoring focused on Masaka Referral Hospital Services (Sub-programme one), and the development projects.

Performance

Regional Referral Hospital Services Programme was allocated Ug shs 8.8billion, of which Ug shs 5.3billion (60%) was released and Ug shs 3.9billion (74%) spent. Overall, physical performance of the hospital in relation to outputs was fair at 69%. The hospital surpassed targets on some of the medical service outputs like outpatient attendances, prevention and rehabilitation services. Some equipment was procured, delivered and payments made. Both construction projects were ongoing and behind schedule. Detailed performance of sub-programmes is highlighted below; and details presented in Table 3.17.

Masaka Referral Hospital Services (Sub-Programme one): The sub-programme was allocated Ug shs 6.2billion, of which 3.32billion (53%)was released and Ug shs 2.78billion (70%) spent by 31st December 2018. Inpatient services were achieved at 68%; Outpatient services at 196%; Diagnostic Services 48%. Immunization Services at 111%; Prevention and Rehabilitation Services 107%. Targets under Diagnostic Services were not achieved and this was attributed to lack of reagents and breakdown of the diagnostic equipment. The issue had persisted since FY 2017/18. Details presented in Table 8.17.

Masaka Rehabilitation Referral (Project 1004)

The project commenced in July 2008 and its expected completion is June 2020. Its main objectives are; to provide a quality maternal and child health services through construction of better Maternity and Children's Complex; improve attraction and retention of staff especially doctors. Construction works commenced in FY 2014/15 and were expected to end in July 2017, it was however extended by one year (July 2018). This was also not achieved, so completion was extended to FY 2018/19.

The project was allocated Ug shs 2.058billion, of which Ug shs 1.9billion (93%) was released and Ug shs 1.1billion (61%) spent by 31st December 2018. Planned outputs for FY 2018/19 were; continued construction of senior staff 40 units' quarters, Maternity and Children Ward Complex as well as procurement of medical equipment procured.

Maternity and Children Ward Complex; the contractor for works is M/s Tirupati Development (U) Limited at a sum of Ug shs 10.612billion.


Ongoing works at the Maternity and Children Ward Complex, Masaka RRH

The supervising consultant is M/s Joadah Consult (U) Limited at a sum of 328million. Roofing works were ongoing. Cumulatively, the contractor had been paid Ug shs 7.4billion (74%), while the consultant was paid Ug shs 299million out

Ug shs 320 million-contract sum. Works were 87% complete. Plastering, floor works, electrical and mechanical were at various levels of completion. External works had not commenced. The hospital administration was satisfied with the works done by the contractor.

Senior staff quarters constructed (40 Units); M/s Block Technical Services was awarded the contract for construction of the 40-unit staff hostel at Ug shs 9.8billion. Works were phased with the first phase aimed at completing the foundation, while second phase is expected to erect

Ongoing foundation works at the 40Unit staff quarters at Masaka RRH

a four block structure.

The project commenced on 23rd September 2015 and was expected to end in June 2017. This was not achieved and extended for another 12 months (June 2018). The process for further extension extend had commenced. The project was therefore enormously behind schedule and this attracted a price variation claim of 41% from the contractor citing increased costs of materials like steel, cement and fuel among others. Cumulatively, the contractor was paid Ug shs 2billion (20%). Works were supervised by Engineers from MoH and were ongoing.

Medical equipment procured; an assortment of equipment was procured from M/S St. Jude Electrical and Medical Equipment. These included X-ray printing machine, X-ray film printer, vertical autoclave shakers, patient monitors, Pulse Oximeter flow meter, oxygen concentrators, and infusion pumps among others. Summarized performance is highlighted in table 8.17.

Table 8.17: Performance of Masaka Regional Referral Hospital by 31st December 2018

Subprogramme	Output	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Project 1004 Masaka Rehabilitation Referral Hospital	Construction of the maternity ward complex continued	995	984	1	0.86	26.36	At substantial completion, roofing, floor works internal and external plastering ongoing.
	Construction of the staff hostel continued	820	760	0	0.17	15.27	Works behind schedule, project was still underfunded.

Subprogramme	Output	Annual Budget (Ug shs)- Mil	Cum. Receipt (Ug shs)- Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
	Procurement of medical equipment/extension of power	243	170	1	0.75	0.00	Medical equipment procured and in use.
Masaka Referral Hospital Services	Inpatient services	840	600	36,677	17,800	17.38	Fair Performance. The hospital admitted 68% of the planned target.
	Outpatient services	205	107	105,224	108,104	6.26	Surpassed target
	Diagnostic services	109	55	522,345	127,093	1.59	Target not achieved
	Immunization Services	19	9	40,100	22,307	0.59	Surpassed target
	Prevention and rehabilitation services	49	24	34043	18,230	1.52	Surpassed target
Programme Performance (Outputs)						**68.98**	**Fair performance**

Source: Field Findings, IFMS

8.8.8 Vote 170 - Mbale Regional Referral Hospital

The hospital implements five Sub-programmes. These are: Mbale Referral Hospital Services (Sub-programme one); Mbale Referral Hospital Internal Audit (Sub-programme two); Mbale Regional Maintenance (Sub programme three); Mbale Rehabilitation Referral Hospital (Project 1004); and Institutional Support to Mbale Regional Referral Hospital (Project 1478). The semi-annual monitoring focused on Mbale Referral Hospital Services (Sub-programme one) and the two development projects.

Performance

Regional Referral Hospital Services programme was allocated Ug shs 13.02 billion, of which Ug shs 7.92 billion (60.9%) was released and Ug shs 4.41billion (55.7%) spent by 31st December 2018. Overall, the hospital's performance was poor 22.89%. This poor performance was attributed to slow progress in implementing the development sub-programmes. Detailed performance by sub-programme is highlighted below.

Mbale Referral Hospital Services

The sub-programme is comprised of outputs under inpatient, outpatient, diagnostic, prevention and rehabilitation services. The sub-programme was allocated Ug shs 9.58billion, of which Ug shs 4.87billion was released and Ug shs 4.28billion spent by 31st December 2018. The targets for outpatients, and diagnostic services were achieved, while targets for inpatients and preventive services were not achieved by half year. Detailed performance is indicated in Table 3.18.

Mbale Rehabilitation Referral Hospital (Project 1004)

The project commenced in July 2007 and expected completion is June 2020. The main project objective is to establish an Accident and Emergency Unit, equip it with modern medical equipment to handle emergency surgeries and other critically ill patients. Construction of the Surgical Complex was prioritized in FY 2017/18.

The project was allocated Ug shs 2billion for FY 2018/19, which was 100% released and non-spent by 31st December 2018. The zero expenditure on the project was attributed to the contractor not issuing any interim payment certificate because no construction works took place. The project performance was poor with completion works on the Surgical Complex stagnating at 18.6%.

Institutional Support to Mbale Regional Referral Hospital (Project 1468)

The project was allocated Ug shs 1.06billion, of which Ug shs 900million was released and Ug shs 25million spent by 31st December 2018. The expenditure was for processing a hospital land title (Ug shs 16.5m), and designs and drawings for the new hospital store and registry (Ug shs 8.54 million). The planned outputs were still at procurement stage. These were purchase of transport equipment, construction of new stores and records; and procurement of medical equipment. Detailed performance is indicated in table 8.18.

Table 8.18: Performance of Mbale Regional Referral Hospital as at 31st December 2018

Programme	Output	Annual Budget (million Ug shs)	Cum. Receipt (Million Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Mbale referral hospital services	Inpatients Services	485.837	242.918	69,000	25,316	8.68	Lack of consultants and senior consultants affected performance.
	Outpatients Services	389.526	170	164,800	80,578	9.49	Target achieved
	Diagnostics Services	109.547	54.772	234,000	121,551	2.67	Target achieved
	Prevention Services	62.361	35.166	101,500	37,180	0.99	Low performance due to lack of senior consultants.

Programme	Output	Annual Budget (million Ug shs)	Cum. Receipt (Million Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Rehabilitation of regional referral hospitals	OPD and other ward construction and rehabilitation	2,000	2,000	1.00	0.00	0.00	Stalled due to financial challenges of the contractor.
Institutional support to Mbale regional referral hospital	Other structures	658	496.500	1.00	0.05	1.06	Paid for technical drawings for the new store, records and surveying hospital land
	Transport equipment	300	300	1.00	0.00	0.00	Awaiting delivery of procured car.
	Medical equipment	100	100	1.00	0.00	0.00	Procured a dental chair/unit.
	Programme Performance (Outputs)					**22.89**	**Poor performance**

Source: Field Findings

The stalled Surgical Complex at Mbale RRH

Service Delivery Challenges

- Inadequate staff accommodation as only 20% of the staff are accommodated affecting timely attendance to emergences.
- Unfavorable electricity tariff band: The electricity cost includes the maximum demand charge which greatly leads to budget exhaustion on the utility line.

- Inadequate wage bill to fill the vacant posts at the regional hospital amidst constrained service delivery due to high demand for services at the hospital.
- Poor planning: The inception of the surgical ward was based on an understanding that government would meet its costs, however the budgetary allocations to the hospital is too low to meet the contractual obligation of government of Ug shs 22billion.
- Inadequate supply of laboratory reagents. Only eight out of the 22 parameters for chemistry tests are investigated due to reagents shortage.

Recommendations

- The hospital should explore various energy saving options like revamping their solar systems or investing in power factor correction equipment.

- The MoH, MFPED and RRHs should work together and negotiate exemption of maximum demand charge from hospitals by the Electricity Regulatory Authority.

8.8.9 Vote 171: Soroti Regional Referral Hospital

The hospital implements four Sub-programmes. These are: Soroti Referral Hospital Services; Soroti Referral Hospital Internal Audit two; and Soroti Rehabilitation Referral Hospital (Project 1004). The semi-annual monitoring focused on Soroti Referral Hospital Services, Soroti Rehabilitation Referral Hospital, and Institutional Support to Soroti Regional Referral Services sub-programmes.

Performance

Regional Referral Hospital Services sub-programme was allocated Ug shs 8.10billion, of which Ug shs 2.25billion was released, and Ug shs 1.27billion spent by 31st December 2018. Overall, the hospital's performance was poor at 43.14%. Detailed performance by sub-programme is highlighted below and in Table 8.19**.**

Soroti Referral Hospital Services

The outputs monitored include inpatient, outpatient, diagnostic, prevention and rehabilitation services. The sub-programme was allocated Ug shs 6.46billion, of which Ug shs 1.62 billion was released, and Ug shs 1.26billion spent by 31st December 2018. The sub-programme performance was fair at 66%, this was mainly due to staff shortages and season variations with the dry season registering few incidences of infection.

Soroti Rehabilitation Referral Hospital

The project commenced in July 2015 and its expected completion is June 2020. The project was allocated Ug shs 0.74billion, of which Ug shs 0.34billion was released and none spent by 31st

December 2018. Planned outputs included; renovation and extension of the medicine store and fencing of the hospital land.

These works had not started by 31st December 2018 partly due to absence of a contracts committee in the hospital, and absence of a substantive accounting officer in the first half of the financial year.

Institutional Support to Soroti Regional Referral Hospital

During FYFY2018/19, planned outputs included, procurement of assorted medical equipment and a double cabin pick up. By 31st December 2018, assorted equipment worth Ug shs 123.58 million had been procured from Joint Medical Stores. These included the examination couches, mobile suction machine, blood pressure machines, nebulizers, wheel chairs, trollies, patient monitors and microscopes among others. The hospital had received clearance from MoPS to procure the pickup.

Table 8.19: Performance of Soroti Regional Referral Hospital by 31st December 2018

Sub Programme	Output	Annual Budget (million Ug shs)	Cum. Receipt (Million Ug shs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Regional referral hospital services	Inpatient Services	243.211	141.649	33,000	14,206	8.54	Targets not achieved.
	Outpatient Services	165.996	82.998	110,000	31,096	4.46	Targets not achieved.
	Diagnostics Services	165.996	82.996	262,550	93,166	5.60	Season variation with dry season registering few incidences of infections.
	Prevention and rehabilitation services	41.499	20.750	30,000	9,597	1.26	Targets not achieved.
Rehabilitation of regional referral hospitals	Renovation and expansion of the medicine stores	488	488	2.00	0.00	0.00	Delayed procured due to absence of a contracts committee.
	Other structures	250	200	1.00	0.00	0.00	
Institutional support to Soroti regional referral hospital	Transport equipment	250	250	1.00	0.00	0.00	Permission granted by MoPS and procurement process was initiated.
	Medical equipment	500	250	1.00	0.49	23.28	Assorted medical equipment worth Ug shs 123.85million was procured from Joint Medical Stores.
Overall Performance		**2,104**	**1,516**	**0.00**	**0.00**	**43.14**	**Poor Performance**

Source: Field findings and IFMS

Some of the equipment procured at Soroti RRH

Challenge

- The hospital is understaffed with only 76% of the posts filled. The most affected areas include surgery, radiology, internal medicine, obstetrics and gynecology, ophthalmology, and public health among others. The consultants who had earlier been recruited resigned and joined Soroti University.

8.8.10 Vote 172 - Lira Regional Referral Hospital

The hospital implements four Sub-programmes. These are: Lira Referral Hospital Services (Sub-programme one); Lira Referral Hospital Internal Audit (Sub-programme two); Lira Regional Maintenance (Sub-programme three); and Lira Rehabilitation Referral Hospital (Project 1004). The semi-annual monitoring focused on Lira Referral Hospital Services sub-programme, Lira Rehabilitation Referral Hospital sub-programme and Institutional Support to Lira RRH Services sub-programme.

Performance

Regional Referral Hospital Services Programme was allocated U gshs 8.81billion, of which Ug shs 5.04billion was released and Ug shs 3.8 billion spent by 31st December 2018. Overall, the hospital's performance was poor at 38%. Detailed performance by sub-programme is highlighted hereafter.

Lira Referral Hospital Services

The sub-programme is comprised of six outputs of which three were monitored. These include; inpatient, outpatient, diagnostic, prevention and rehabilitation services. The sub-programme was allocated Ug shs 7.17billion, of which Ug shs 3.93billion was released and Ug shs 3.28billion spent by 31st December 2018.

The sub-programme performance was good at 85%, however acute understaffing affected provision of specialized medical services. The relocation of the OPD services to lower health units to pave way for the JICA project also affected the diagnostic services. Detailed performance is indicated in table 8.20.

Lira Rehabilitation Referral Hospital

The project commenced in July 2015 and its expected completion is June 2020. The project was allocated Ugshs 1.41billion, of which Ug shs 0.96billion was released and Ug shs 0.45billion spent by 31st December 2018. Planned outputs included; construction of a 16-unit staff house, construction of walkways with underground cabling, procurement of motor vehicle materials and supplies, purchase of equipment and furniture among others.

However, in November 2018, planned outputs were revised from construction of walkways with underground cabling to renovation of the laundry, construction of the mortuary and procurement of a nine-body mortuary fridge. The MFPED approved these changes.

Construction of the staff house was ongoing; the works were awarded to Ms Block Technical Services at a cost of Ug shs 2,740,800,855 for a period of 18months (to end by January 2020). The construction of the staff house was 29% at against the time progress of 39%, works were behind schedule due to the heavy rains experienced in July 2018. Ms. 2AME Company (U) Limited was awarded the contract to design and supervise works. Renovation of the laundry had started with outside painting ongoing. Detailed performance is shown in table 8.20.

Institutional Support to Lira Regional Referral Hospital (Project 1477)

Planned outputs for FY 2018/19 were; procurement of tyres for the staff shuttle, administrative pick up and director's car, spare parts for the ambulance and director's car, furniture, machinery and equipment. By 31st December 2019, the tyres and spare parts had been bought. The hospital had signed contracts for the procurement of specialised equipment. Detailed performance is shown in table 8.20.

Table 8.20: Performance of Lira Regional Referral Hospital by 31st December 2018

Sub programme	Output	Annual Budget (Millions Ug shs)	Cum. Receipt (Millions Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remarks
Lira Regional Referral Hospital Services.	Inpatient Services	254	126.147	36,947	16536	11.88	Performed fairly due to lack of medical officers and specialists in the hospital. and the relocation of the OPD services to Obel HCIII.
	Outpatient Services	79	40.3	258,300	109507	3.41	
	Diagnostics Services	70	36.32	150,100	76394	3.56	Low due to transfer of the OPD services.
	Prevention and rehabilitation services	36	19	16441	5960	1.28	High performance due to availability of functional imaging equipment.
Rehabilitation of regional Referrals Hospitals	Monitoring, supervision and appraisal of capital projects	55	55	1	0.95	2.71	Consultancy services for the staff house were provided.
	Residential buildings	600	600	0.67	0.29	13.48	Ongoing but behind schedule.
	Construction of the 16 unit staff quarters	750	300	1.00	0.00	0.00	Renovation of the laundry was ongoing.
Institutional support to Lira Regional referral	Machinery and Equipment	33	33	1.00	0.50	0.86	Computer cartridges were procured.
	Furniture and Fixtures	10	10	1.00	0.00	0.00	To be implemented in Q3 and Q4

Sub programme	Output	Annual Budget (Millions Ug shs)	Cum. Receipt (Millions Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remarks
hospital	Procurement of tyres and spare parts	40	40	1.00	0.40	0.83	Tyres were procured for three vehicles and spare parts for the ambulance.
Programme Performance (Outputs)						**38.01**	**Poor performance**

Source: Field findings and IFMS

L-R: Sixteen-unit staff house under construction and renovation of the laundry ongoing at Lira Hospital

Challenges

- Demolition of the OPD, therapeutic feeding centre and neonatal intensive care unit to pave way for the new infrastructure affected service delivery in the hospital.
- The hospital is understaffed with virtually no medical officers and consultants. This was caused by the resignation of consultants who joined Lira University.

8.8.11 Vote 173 - Mbarara Regional Referral Hospital

The hospital implements four sub-programmes. These are: Mbarara Referral Hospital Services (Sub-programme one); Mbarara Referral Hospital Internal Audit (Sub-programme two); Mbarara Rehabilitation Referral Hospital (Project 1004) and Institutional Support to Mbarara Regional Referral Hospital (Project 1469). The semi-annual monitoring focused on Mbarara Referral Hospital Services (Sub-programme one) and the two development projects.

Performance

Regional Referral Hospital Services Programme was allocated Ug shs 10.6billion, of which Ug shs 5.5billon (55%) was released and Ug shs 3.9billion (70%) spent. The hospital registered fair performance (50%); most of the planned development outputs were under procurement. Good performance was however recorded on achievement of medical services, most of them achieved over 90%. Detailed performance by subprogram is highlighted below and in Table 8.21.

Mbarara Referral Hospital Services (Sub-programme One)

The sub-programme was allocated Ug shs 7.2billion, of which Ug shs 3.7billion (51%) was released and Ug shs 2.7billion (73%) spent by 31st December 2018. The hospital surpassed its targets on most of its medical indicators. Outpatient Services 156%; Diagnostic Services 143%; Immunization Services 81%; Prevention and Rehabilitation Services 240%. This performance was attributed to availability of medical supplies and reagents, commitment of health workers and inadequate functionality of lower health facilities.

Rehabilitation of Mbarara Referral Hospital (Project 1004)

The project was allocated Ug shs 1.9billion, of which Ug shs 1.3billion was released and only 36% (Ug shs 479million) spent. Planned outputs included; construction of the fence, completion of staff houses, rehabilitation of the canteen and orthopedic workshop.

All planned new works were under procurement, designs for the wall fence were approved, and review of BoQs was ongoing. The staff house was completed; however, it had not been occupied.

Completed staff house at Mbarara RRH

The hospital accommodation committee was in the process of allocating houses to various staff. Hospital administration was satisfied with quality of works done. Works on other structures were at various levels of implementation.

These were rehabilitation of orthopedic workshop 45%; canteen 95%; walkways 70%; and installation of the isolation wing 80%. A summary of outputs is highlighted in table 8.21.

Institutional Support to Mbarara Regional Referral Hospital (Project 1479)

The project was allocated Ug shs 400millon, which was 100% released and only 12% spent by 31st December, 2018. Planned outputs included purchase of medical equipment. This was under procurement. However, the hospital had procured ICT equipment including laptops, photocopier and printer from Ms Wills Victor Limited on 20th September 2018. A total of Ug shs 10.7million was paid to Appliance World for delivery and installation of laundry driers.

Table 8.21: Performance of Mbarara Regional Referral Hospital by 31st December 2018

SubProgramme	Output	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Medical Services	Inpatient Services Provided	350	175	29,400	13,423	11.19	Good performance.
	Outpatient Services Provided	183	91	165,900	80,228	6.20	Fair performance (50%) in relation to specialised outpatient attendances and 43% of general outpatients were seen.
	Diagnostic Services Provided	169	84	102,800	73,725	5.90	75% lab examinations and 65% of X-rays examinations were achieved.
	Immunization Services Provided	65	32	15,424	6,156	1.85	Poor performance with only 40% achieved.
	Prevention and Rehabilitation Services	117	58	5,300	6,365	4.10	138% antenatal attendances were achieved and 98% of family planning users attended to.
Rehabilitation of Regional Referral Hospital (Project 1004)	Staff quarters completed	178	114	100	99	6.21	M/s Block Technical Services was paid Ug shs 114 million on 30th November 2018 as a last certificate for completion of the staff house.
	Motor vehicle and other transport equipment procured	400	64	100	10	8.73	An ambulance for emergency response with all its accessories was under procurement. However, a total of Ug shs 64 million was paid to M/s Toyota Uganda Ltd as balance on a staff bus procured in FY2017/18.
	Hospital rehabilitated	1,000	750	100	10.	4.65	The rehabilitation of orthopedic workshop was at 45%, construction of the staff canteen was at 95%; construction of the

SubProgramme	Output	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
							walk ways was at 70%; and installation of the isolation wing was at 80%. Procurement for works on the wall fence was underway.
Institutional support to Mbarara Regional Hospital (1479)	Medical equipment purchased	400	400	100	10	1.40	Laptops, printer and photocopier were procured. Payments for the laundry drier were made. Other medical equipment was under procurement.
Programme Performance (Outputs)						**50.24**	**Fair performance**

Source: Field Findings, IFMS

Challenges

- Delayed initiation of procurement processes for FY 2018/19 planned outputs.
- Inadequate operation and maintenance budget for infrastructure hence accumulation of over US$ 10,000 arrears on the oxygen plant.
- Inadequate staffing coupled with low absorption of the wage bill for FY 2018/19.

Recommendations

- The Accounting Officer for Mbarara RRH should ensure that procurements are initiated and implemented in a timely manner to avoid delays.
- The Accounting Officer should also ensure that recruitment plans are followed with timely submissions to MoPS and HSC for clearance and recruitment.
- The Accounting Officer should prioritize payment of domestic arrears as guided by the Budget Call Circular of FY 2018/19.

8.8.12 Vote 174 - Mubende Regional Referral Hospital

The hospital implements four sub-programmes. These are: Mubende Referral Hospital Services (Sub-programme one); Mubende Referral Hospital Internal Audit (Sub-programme two); Mubende Rehabilitation Referral Hospital (Project 1004) and Institutional Support to Mubende Regional Referral Hospital (Project 1469). The semi-annual monitoring focused on Mubende Referral Hospital Services (Sub-programme one), and the two development projects.

Performance

Regional Referral Hospital Services Programme was allocated Ug shs 7.6billion, of which Ug shs 4.7billion (62%) was released and Ug shs 3.7billion (79%) spent. The hospital registered poor performance (13%), most of the planned outputs were not achieved. Works at the Surgical Complex had stalled due to limited funds. None of the medical services was achieved by 50%. Detailed performance by sub-programme is highlighted below.

Mubende Referral Hospital Services (Sub-programme One)

The sub-programme was allocated Ug shs 6.4billion, of which Ug shs 3.32billion (51%) was released and Ug shs 2billion (61%) spent by 31st December 2018. Poor performance was recorded with Inpatient Services achieved at 46.7%; Outpatient Services 37.3%; Diagnostic Services 34%; Immunization Service; Prevention and Rehabilitation Services 35%. The underperformance was attributed to low turn up of patients.

Mubende Rehabilitation Referral Hospital (Project 1004)

M/s ACE Consult Limited undertook the construction of the Pediatric and Surgical Building at a sum of Ug shs 7.4billion. M/S Envision Design Architects supervised the works at a sum of Ug shs 182,000,000. The project commenced on 1st July 2014 and expected to be completed in 18 months. Works progressed well in the initial years of the contract and stalled at 60% in August 2017. Delays in execution were attributed to limited cash flows to the project. Cumulatively, the contractor was paid Ug shs 3.7billion (50%).

During FY 2018/19, the project was allocated Ug shs 900 million, 100% of the allocation was released and spent by 31st December 2019. All funds were spent on clearing outstanding obligations to the contractor.

Institutional Support to Mubende Regional Referral Hospital (Project 1482)

The project was allocated Ug shs 152million, which was 100% released and only 7% spent by 31st December 2018. Planned outputs included procurement of medical equipment and furniture, as well as construction of a walkway from Administration Block to various Wards.

Office furniture was procured, while works on the walkways and procurement of assorted medical equipment for maternity ward were underway. Delays in commencement of procurement were noted. Summarized performance by sub-programme is highlighted in Table 8.22.

Table 8.22: Performance of Mubende Regional Referral Hospital by 31st December 2018

Sub-Programme	Output	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks

Sub-Programme	Output	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Medical Services	In patients services	241	127	16,000	3,953	6.80	Poor performance
	Out patients services	106	51	112,500	20,236	2.39	Poor performance
	Diagnostic services	55	28	115,500	20,348	0.00	Poor performance.
	Prevention and rehabilitation services	150	78	14,700	2,694	3.16	Low client turnup for antenatal attendances.
Mubende Rehabilitation Referral	Pediatrics and surgical building constructed	908	908	100	0.00	0.00	Works stagnated for lack of funds.
Institutional Support to Mubende	Medical equipment procured	90	90	100.	0.00	0.00	Under procurement
	Office furniture purchased	10	10,	100	0.99	0.01	Furniture for the offices of new staff and board room was procured and was in use.
	Walkway constructed	52	52	100	0.00	0.00	Construction of a walkway from the Administration Block to various wards was under procurement.
	Programme Performance (Outputs)					**12.36**	**Poor performance**

Source: Field Findings, IFMS

Implementation challenges

- Delays initiation of procurement by user departments led to failure to achieve set targets under the retooling project.
- Poor planning and over commitment of government beyond Medium Term Expenditure Framework (MTEF) allocations led to stalling of the Surgical Complex.
- Low demand for health services.

Recommendations

- The Accounting Officer of Mubende RRH should ensure that the Procurement Department initiates procurement processes in a timely manner to facilitate timely absorption of funds.
- All RRHs should improve their planning through taking a phased approach to project implementation. Contracts should be phased in relation to allocations to avoid delayed implementation of rehabilitation projects due to lack of funds.

8.8.13 Vote 175 - Moroto Regional Referral Hospital

The hospital implements five Sub-programmes. These are: Moroto Referral Hospital Services; Moroto Referral Hospital Internal Audit; Moroto Regional Maintenance; Moroto Rehabilitation Referral Hospital; and Institutional Support to Moroto Regional Referral Hospital. The semi-annual monitoring focused on Moroto Referral Hospital Services, and the two development projects.

Performance

The hospital was allocated Ug shs 6.77billion, during FY 2018/19, of which Ug shs 3.73billion was released, and Ug shs 2.85billion spent by 31st December 2018. The performance was fair at 73% of the set targets achieved. Detailed performance by sub-programme is highlighted below and in table 8.23.

Moroto Referral Hospital Services

The sub-programme is comprised of outputs under inpatient, outpatient, diagnostic, prevention and rehabilitation services. The sub-programme was allocated Ug shs 5.15billion, of which Ug shs2.57billion was released and Ug shs 2.12 billion spent by 31st December 2018. Overall, the sub-programme achieved 71% of the semi-annual targets. This performance was attributed to absence of space, specialists and breakdown of the imaging equipment. Detailed performance is indicated in Table 8.23.

Moroto Rehabilitation Referral Hospital (Project 1004)

The project commenced in July 2010 and expected completion is June 2020. The main project objective is to provide comprehensive, super specialized health service, conduct tertiary health training, research and contribute to health policy and planning.

The project was allocated Ug shs 1.39billion, of which Ug shs 1.04 billion was released and Ug shs 0.62 billion spent by 31st December 2018. Outputs planned under the project during FY 2018/19 were; rehabilitation, construction of the ten-unit staff house and maternity ward.

The construction of the staff house was awarded to M/s Musuuza Building Contractors at Ug shs 2.494billion, while construction and expansion of the maternity ward was awarded to M/s BMK (U) Limited at a cost of Ug shs 2.0billion for a period of 18 months. Works started in December 2018. The construction of the staff house was 45%, complete while works at the maternity ward were at foundation excavation. Detailed output performance is shown in table 8.23.

Institutional Support to Moroto RRH (Project 1472)

The project was allocated a total of Ug shs 100 million, of which Ug shs 50 million was released and spent by 31st December 2018. Expenditures were on purchase of residential furniture. Detailed performance in Table 8.23.

Table 8.23: Performance of Moroto Regional Referral Hospital by 31st December 2018

Sub programme	Output	Annual Budget (million Ugshs)	Cum. Receipt (million Ugshs)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Moroto regional referral hospital services	Inpatient Services	199.397	100.485	21,530	5,035	6.22	The targets were overestimated; the hospital lacks adequate space and beds to admit.
	Outpatient Services	144	74.415	98,600	53,588	9.68	Target not achieved
	Diagnostics Services	91	41.500	104,493	55,864	6.12	Absence of laboratory reagents and breakdown of the imaging equipment affected the output.
	Prevention and rehabilitation services	119.303	52.901	36,411	6539	3.25	There is negative attitude of locals towards rehabilitative services.
Rehabilitation of regional referral hospitals	Maternity ward construction and rehabilitation	400	300	0.44	0.04	3.26	Excavation complete.
	Staff House construction and rehabilitation	988	741	0.52	0.45	66.40	Construction works were ongoing with the contractor ahead of schedule
Institutional support to Moroto Referral hospital	Furniture and fixtures	50	50	1.00	1.00	3.36	Furniture was procured.
	Medical Equipment	50	50	1.00	0.00	0.00	To be implemented in Q3 and Q4.
	Programme Performance (Outputs)					**73.02**	**Good performance**

Source: Field findings and IFMS

L-R: Staff quarters under construction and excavated foundation for the maternity ward

Challenges

- Intermittent power supply leading to over reliance on the generator with high operational costs.
- Outdated laboratory equipment characterized by regular breakdowns and very high maintenance costs.

Recommendation

- The Accounting Officer should prioritise procurement of laboratory equipment to enhance service delivery.

8.8.14 Vote 176 - China-Uganda Friendship Referral Hospital (Naguru)

The hospital implements four Sub-programmes. These are: Naguru Referral Hospital Services (Sub-programme one); Naguru Referral Hospital Internal Audit (Sub-programme two); Naguru Rehabilitation Referral Hospital (Project 1004) and Institutional Support to Naguru Regional Referral Hospital (Project 1469). The semi-annual monitoring focused on Naguru Referral Hospital Services (Sub-programme one), and the two development projects.

Performance

The hospital registered poor performance with only 40% of the set outputs achieved during FY 2018/19. All outputs planned under the Institutional Support Project were not achieved during the first half of the FY and funds were not released. Activities under the development projects were not achieved as well. Works at the staff house had just commenced, while others were under procurement. All medical services under review were achieved by over 100%. Detailed performance by sub-programme is highlighted below.

Naguru Referral Hospital Services (Sub-Programme one)

The sub-programme was allocated Ug shs 7.3billion, of which was Ug shs 3.6billion was released (50%) and Ug shs 2.6billion (74%) spent. Expenditures were mainly for salaries, gratuity, pension, maintenance of equipment, utilities among others.

In-patient services were achieved at 516%, and the hospital attributed this performance to reduced referrals out of the hospital, as most of the cases were managed at the hospital. This was due to availability of necessary supplies. The Cholera outbreak from various parts of Kampala partially contributed to the number. Outpatient Services at 60%; Diagnostic Services 56%; Prevention and Rehabilitation Services 25%, while Immunization was achieved at 250%. The over performance was partly attributed to low targets set during the planning and budgeting phase, and high demand for services during the Cholera outbreak in Kampala.

Naguru Rehabilitation Referral Hospital (Project 1004)

The project was allocated Ug shs 900 million, of which 100% was released and none spent by 31st December 2018. Planned outputs included; Resource Center expansion, gatehouse and maintenance workshop constructed, staircase space created for records, laboratory for pathology service expanded and continued construction of the 16-unit staff house.

In terms of performance, phase two contract of the staff houses was awarded to M/s Happiness Limited at a sum of Ug shs 500million. The activity commenced and registered physical progress of 10%. Other works were still under procurement. Discussions on whether the hospital should undertake refurbishment works on the gate, staircase, ramps, parking and water trenches were ongoing since the grant to refurbish the entire hospital from the People's Republic of China was under consideration by Development Committee of MFPED. The hospital was therefore skeptical about signing refurbishment contracts under GoU.

Delays in seeking approval from MoH and MFPED regarding reallocation of development funds from the refurbishment activities to completion of staff houses was noted. Summarized financial and physical performance per output are highlighted in table 8.24.

Institutional Support to Naguru Regional Referral Hospital (Project 1479)

The project was allocated Ug shs 155million, no releases and expenditures were made by 31st December 2018. However, the hospital had planned to procure medical equipment and procurement had commenced. Detailed performance by sub-programme is highlighted in table 8.24.

Table 8.24: Performance of China-Uganda Friendship Hospital by 31st December 2018

Sub-programme	Output	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remarks
Medical Services	In patient services Provided	300	144	15,213	78,608	1.23	Surpassed target
	Outpatient services Provided	202	101	272,218	165,023	3.06	A total of 94,819 specialized clinic attendances were achieved; 166 referrals cases in; 70,204 total general outpatients attendance.
	Diagnostic services Provided	20	10	150,707	85,025	0.31	Limited supply of x-ray films and lack of Digital Video Effects(DVE) digital imaging films for CT impeded the delivery of CT scan services.
	Prevention and rehabilitation services	50	23	31,497	7,743	-	Not achieved.
	Immunisation	5	2	10,000	25,075	0.06	Target achieved.
Institutional support to Naguru	Medical Equipment	155	-	100	0	35.42	Under procurement, however no funds were released for the activity.

Sub-programme	Output	Annual Budget (Ug shs)-Mil	Cum. Receipt (Ug shs)-Mil	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remarks
RRH							
Rehabilitation of Naguru RRH	Continued construction of staff house and other structures	900	900	100	0	-	Behind schedule, works on the staff house had just commenced while others were still under procurement.
Overall OutPut Performance						**40.07**	**Poor performance**

Source: Field Findings, IFMS

Implementation Challenges

- Delayed initiation of procurement processes.
- Non-release of allocated funds by MFPED.
- Frequent breakdown of equipment like x-rays.
- Congestion of the hospital leading to inadequate medical supplies hence frequent stock outs.

Conclusion

The Regional Referral Hospital Services registered fair performance with 56% of the planned targets achieved. Provision of medical services generally performed better than development projects except in instances where some hospitals were implementing rolled over projects or multiyear projects. The downside of regional referral services is poor planning characterised by late initiation of procurement, delays in submitting requests to MoH, HSC, and MoPS for recruitment.

Recommendations

- The MoH should sanction hospital directors whose entities fail to initiate procurememt in a timely manner hence inability to absorb released funds.
- All hospital directors should ensure timely submission of recruitment requests to enable recruitment of health workers and absorption of the wage bill within the FY.

8.9 Votes 501 – 850 Local Governments: Primary Health Care (PHC)

Background

The programme contributes to the sector outcome of "**inclusive and quality health care services**". The main objective is to offer quality primary health care services to Ugandans. The programme consists of one sub programme (Health Development).

8.9.1 Health Development (Sub-Programme 1385)

Background

The main objective of the sub-programme is; to improve quality of health facility infrastructure in all districts. In FY 2018/19, the GoU and World Bank jointly fund the sub-programme. The total allocation is Ug shs71, 560,894,450. The GoU contributed Ug shs 2,200,000,000 for PHC Transition Adhoc Grant for rehabilitation of selected health facilities, while the World Bank contributed Ug shs 69,360894,450.

The World Bank fund was allocated for maintenance of the districts infrastructure (Ug shs 7,360,894,450) and upgrading of the Health Centre II to IIIs (Ug shs 62 billion) under the Inter Fiscal Government Transfers sub-programme. The total project cost is US$200 million for four years (FY2018/19- FY2021/2022). The project objective is to upgrade 331 health facilities starting with 124 in the first year.

Performance

The sub-programme in FY2018/19 was allocated Ug shs 71, 560,894,450, of which 67% was released by 31st December 2018. Expenditure performance was poor, only service costs including per diem for evaluation of bids was incured.

Physical performance for the sub-programme was poor and behind schedule at 6% of the set targets by 31st December 2018. Civil works had not commenced yet average disbursements were amounting to 67%.

Local governments that fairly performed were either completing rolled over projects or initiated procurement of projects under maintenance component in a timely manner. These included: Kiruhura, Mbarara, Sheema, Rukungiri, Mpigi, Kyenjojo, Kasese, Yumbe, and Maracha districts. The rest of the districts projects were still under procurement at various levels of progress (Table 8.25).

Allocative **inefficiency** was observed in the project design as Ug shs 12.5 million was quoted for LG supervision in the BoQs in addition to the 5% or 2.5% provided for in the grant guidelines (***Some DLGs had guidelines that stated 2.5%, while others had those that allowed for 5%).*** This translates into Ug shs 25 million or Ug shs 37.5 million respectively spent in monitoring and supervision.

The poor physical performance was in part due to the sub-programme design where procurement was largely centrally managed. Signing of contract agreements mainly commenced in January 2019, however, some contractors possessed site before finalization of the contract agreement and official site hand over. These included Oyam and Kole districts.

This was an indicator of non-compliance of some contractors to execution modalities of the project, where the district engineer as the technical representative of the district and works supervisor issues commencement orders to the contractor after handing over the sites.

In districts where work had commenced, there was a general complaint of the structural design, some contractors were using block work for the plinths wall/foundation walls. The concrete blocks form a weak foundation since they tend to absorb water in areas with a high water table which affects the strength of the building and hence its durability.

The performance of the PHC Transitional Grant and the maintenance UGIFT component were poor with most of the works either at contract signature while others were still at initiation stage by the end of January 2019. However, works had begun at a few facilities at various levels of completion. The details of performance are discussed in table 8.25.

Table 8.25: Performance of Health Development Sub-Programme by 31st December 2018

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
General Ward constructed at Wielela HCII, Magaga SC in Abim district	300	200	100	0.00	0.00	Physical progress was 0% against 67% release. The district advert inviting bidders was expected in January 2019. The funds allocated for Abim Hospital rehabilitation were re-allocated towards upgrading Wielela HCII to HCIII contrary to the PHC guidelines.
Arinyapi HC II upgraded to HCIII in Adjumani district;	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. By 22nd January 2019, the district was still awaited the evaluation report from MoH.
Selected health facilities rehabilitated in Adjumani district;	54	36	100	0.00	0.00	Physical progress was 0% against 66% release. Procurement process was ongoing and was at award stage.
Namusita (Budaka) HC II upgraded to HCIIII in Budaka district	500	335	100	0.00	0.00	Physical progress was 0% against 66% release. The contract was submitted to the Solicitor General for clearance. The Best Evaluated Bidder (BEB) was Geomax Engineers Limited and site hand over was expected in January 2019.
OPD Celing at Sapiri HCIII rehabilitated, Fencing completed at Katira HCIII,4 Stance pit latrine at Kaderuna HCIII in Budaka district	60	40	100.00	0.00	0.00	Physical progress was 0% against 66% release. The contracts were signed on 10th January 2019 with site hand over expected on 14th January 2019. There was a general delay from the user department to initiate procurement.
Ther-uru HC II upgraded to HCIII in Zombo Disitrict	500	335	100	0.00	0.00	Physical progress was 0% against 66% release. Display of the BEB was closing

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
						on 17th January 2019 upon which the contract would be submitted to the Solicitor General for clearance. The BEB was Abude Construction Co Limited at the contact sum of Ug shs 481,001,700.
Retention wall costructed at Warr HCIII, and Latrine Constructed at Atyak HCII in Zombo district	36	24	100	0.00	0.00	Physical progress was 0% against 66% release. The procurement for works was at award stage.
Ajikoro HC II upgraded to HCIII in Maracha District	500	335	100.00	0.00	0.00	Physical progress was 0% against 66% release. The Solicitor General cleared the contract with Abude Construction company limited on 11th January 2019 and final contract signing was due by the 15th January 2019. The contract sum is Ug shs 487,928,835 including Ug shs 12,500,000 for LG supervision.
Retention for OPD, and Land title proccessing for Maracha HCIV paid; Maintainance of Solar system at Ovuju,Oleba,Tara,Oluvu, Eliofe, and Kamaka HCIIIs in Maracha District	54	36	100	0.00	0.00	The retention had not yet been paid just as funds for title processing for selected facilities. The land title processing for Maracha HCIV was halted pending conclusion of the negotiations with the National Forest Authority. The facility is currently located on the National Forest Authority Land. On the other hand, the contract for the solar maintenance was due for signing with the BEB (Global solar systems) at a contract sum of Ug shs 19,869,260. The contract is for equipment supply, installation and testing).
Maternity Ward completed; and Doctors House constructed at Maracha HCIV- PHC Transitional grant	200	133	100	10.00	0.10	The contractor for Maternity ward completion (M/s Bomak traders limited) signed the contract on 4th December 2018 at Ug shs 133,888,700 and works commenced on 7th December for a period of 4 months. By 15th January 2019, the contractor was on site and works had resumed at 10% physical progress. Conversely, the contract for the

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
						construction of the doctor's house (M/s Multi-Space Bureau Uganda Limited) had not been concluded, as negotiations were ongoing with the BEB whose cost (Ug shs 102,415,950) was higher than the allocation (Ug shs 80,000,000).
Koboko Police HC II upgraded to HCIII in Koboko Municipality	500	335	100	0.00	0.00	The physical progress was 0% against 67% release. The Ministry of Internal Affairs (Police) directly manages the selected facility. This affected works and plans to channel funds to the local government were underway. This situation pointed to poor planning
Selected health facilities rehabilitated in Koboko Municipality;	6	4	100.00	0.00	0.00	The physical progress was 0% against 67% release. The maintenance funds faced a similar predicament as above
Mocha HC II and Kerwa HC II upgraded to HCIII in Yumbe district	1,000	670	100	0.00	0.00	The physical progress was 0% against 67% release. By 16th January 2019, the due diligence had not been concluded by Ministry of Health.
Doctor's house at Midigo HCIV renovated in Yumbe District	68	45	100	10.00	0.04	Physical progress was 10% against 67% release of funds. The contractor (M/s. Kumia Group Association Limited) commenced works on 12th January 2019. Ceiling works and wall hacking works were ongoing. The HCIV is housing the only functioning theatre in the district and therefore faced very high volumes of patients.
Loyoajonga HC II upgraded to HCIII in Omoro district	500	335	100.00	0.00	0.00	Physical progress was 0% against 67% release of funds. The contract was awarded to the BEB (M/s KAST Engineering Works Limited). The BEB had quoted above the budgeted amount and therefore negotiations were ongoing by January 2019. The district observed that the project should have included staff houses to accommodate the health staff that will be required to serve the population at the new level of service delivery.

Out put/Subprogrammes	**Annual Budget (Ug shs million)**	**Cum. Receipt (Ug shs million)**	**Annual Target**	**Cum. Achieved Quantity**	**Weighted Physical performance Score (%)**	**Remarks**
Lela obaro, Lujorongole,Odek,Dino, Bobi, Alokolum, and Acet HCII renovated to control Bats infestation in Omoro District maitenained/rehabilitated	36	24	100	0.00	0.00	Physical progress was 0% against 67% release of funds. Procurement had not commenced awaiting the finalization of the BoQs from the district engineers.
Katum HC II Upgraded to HCIII in Lamwo district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The BEB (3 M/s Investment Limited) quoted (Ug shs 596,000,000) which was higher than the allocation (Ug shs 500,000,000). The MoH advised the LG to negotiate with the contractor and reduce scope to exclude placenta pit which was costed at Ug shs 18,000,000. Thus the negotiation may not yield much except if the scope of works are extensively reduced which again will defeat the purpose of the project.
Selected health facilities rehabilitated in Lamwo district	60	40	100	0.00	0.00	Physical progress was 0% against 67% release. The procurement process was by 23rd January 2019 at evaluation stage and award was expected in the week of 28th – 1st February 2019.
Pandwong HC II upgraded to HCIII in Kitgum Municipality	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The BEB (3 M/s Investment Limited) quoted (Ug shs 599,918,198) which was higher than the allocation (Ug shs 500,000,000). The MoH advised the municipality to negotiate with the BEB and the negotiation committee was expected to meet on 25th January 2019.
Selected health facilities rehabilitated in Kitgum Municipality	0.09	0.06	100	0.00	0.00	Physical progress was 0% against 67% release. The municipality was yet to decide what to use the Ug shs 92,049 provided at the existing facility.
Kagumba HC II upgraded to HCIII in Kamuli district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The BEB (Green Heat Uganda Limited) quoted higher than the budget and contracts committee by 28th January 2019 had not yet awarded the

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
						contract. The final contract value was expected upon conclusion of the negotiations.
Selected health facilities rehabilitated in Kamuli district	78	52	100	0.00	0.00	Physical progress was 0% against 67% release. The procurement process was by 28th January 2019 at evaluation stage and award was expected in the week of 4th – 8th February 2019.
Busota HC II upgraded to HCIII in Kamuli Municipality	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The BEB (Green Heat Uganda Limited) was displayed and display expiry date was 4th February 2019. Works were costed at Ug shs 476,505,577
Selected health facilities rehabilitated in Kamuli Municipality	0.09	0.06	100	0.00	0.00	Physical progress was 0% against 67% release. No works had commenced by 31st December 2019. The municipality was yet to decide what to use the Ug shs 92,049 provided at the existing facility.
Bukendi HC II upgraded to HCIII in Luuka district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The BEB (Green Heat Uganda limited) was displayed. The closing date for the display was 2nd February 2019 and the award price was Ug shs 476,505,577 after negotiations where scope of works equivalent to Ug shs 14,000,000 was excluded from the BoQs
Selected health facilities rehabilitated in Luuka district	42	28	100	0.00	0.00	Physical progress was 0% against 67% release. The BEB (Mwayi Investment limited) was due to sign the contract after the mandatory display period of the BEB.
Nawangisa HC II upgraded to HCIII in Bugweri district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The DLG and M/s VISVAR Investments Limited signed the contract for works at Ug shs 474,529,863. By 29th January 2019, the district was verifying the bank guarantees before disbursement of the 30% advance payment.

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Selected health facilities rehabilitated in Bugweri district	30	20	100	0.00	0.00	Physical progress was 0% against 67% release. The district engineer was still preparing the BoQs for works. The district was to engage prequalified bidders to save time for open domestic bidding. The delay in commencement of procurement was due to the need to engage the District Procurement Committee that was put in force in October 2018.
Bugiri Town Council HC II(Naluwelele HCII) upgraded to HCIII Bugiri Municipality	500	335	100.00	0.00	0.00	Physical progress was 0% against 67% release. The contract for works between Municipality LG and M/s VISVAR Investments at Ug shs 474,529,863 was ready for signing by 29th January 2019; however, the contractor had not reported to the district for signing and final hand over of construction site. The Municipal Authorities anticipated that works would commence in February 2019.
Selected health facilities rehabilitated in Bugiri Municipality	0.09	0.06	100.00	0.00	0.00	Physical progress was 0% against 67% release. The municipality is to use the maintenance fund at the same facility that is under upgrade.
Jagusi HC II and Busaala HC II upgraded to HCIII in Mayuge district	1,000	670	100	0.00	0.00	Physical progress was 0% against 67% release. The BEB (Green Heat Uganda Limited) costed the project at Ug shs 995,778,045 by 28th January 2019, the BEB was displayed on the notice board till 8th February 2019 before request for clearance from the Solicitor General and contract signing. The works were expected to commence in February 2019.
Selected health facilities rehabilitated in Mayuge district	62	41	100	0.00	0.00	The districts was yet to initiate the procurement for maintenance of the selected facilities. The absence of the substantive DHO, with the incumbent bring on interdiction pending investigations in the murder of the medical officer at Kigandalo HCIV affected progress of works.

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Buwembe HC II, and Majanji HC II upgraded to HCIII in Busia District	1,000	670	100.00	0.00	0.00	The MoH selected facilities (Buwembe and Majanji) that had benefitted with the construction of the maternity wards (Not according to the new MoH 2018 structural design and guidelines) under the funding from the District Discretionary Equalization grant in FY2016/17 and 2017/18 & 2018/19 respectively. The DLG upon receipt of the IPFs of FY2018/19 initiated procurement on the 7th of June 2018, and signed contracts in August 2018 before receipt of clear guidelines on the utilization of the PHC funds. At Siduka HCII, physical progress was 68% against 0% financial progress; at Busime HCII, physical progress was 29% against 0% financial progress; while at Bumunji HCII, and the physical progress was 46% against the 0% financial progress. At Majani HCII, the completion works for the maternity ward were at 39% physical progress however, the contractor was last on site on the 22nd December 2018. By 30th January 2019, no payments were made pending the settlement of the matter with the MoH. The total allocation at the four sites was amounting to approximately Ug shs 490,652,986 out of the allocated Ug shs 1000,000,000 for the upgrade. Generally, the constructed maternity wards fall short in strength, because of the difference in designs (quality and materials) used for construction. Cement screed was being used compared to terrazzo in most of the areas. The BEB M/s VISVAR investments for the lot had not signed the contract with

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
						Busia DLG.
Selected health facilities rehabilitated in Busia district	68	45	100	0.00	0.00	Physical progress was 0% against 67% release. The DLG had halted utilization plans for the funds pending settlement of flouted utilization guidelines of IGFT funds.
Sop Sop HC II upgraded to HCIII in Tororo district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The contract was signed on 21st January 2019 between the DLG and M/s VISVAR Investments Limited. The contract sum is Ug shs 474,529,863 for a period of six months. The contractor is unlikely to complete the project in time as the site was handed over to the contractor on 31st January 2019.
Selected health facilities rehabilitated in Tororo district	114	76	100	0.00	0.00	Physical progress was 0% against 67% release. Procurement of contractors was ongoing and bid closure and opening was 31st January 2019.
Fittings and Fixtures in the new male Ward completed, Walkway to the new ward at Totoro General Hospital- PHC Transitional	250	166	100	0.00	0.00	Physical progress was 0% against 36% financial progress. The district paid for works relating to FY2017/18 at the maternity ward. The procurement for FY2018/19 works was ongoing. The bid closure and opening for the walkway and finishes was 6th February 2019.
Bundege HC II upgraded to HCIII in Sironko district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The contract was signed on 31st January 2019 between the DLG and Geomax Engineering Limited. The contract value is Ug shs 471,644,930 for a period of 4 months. The contractor had commenced with site lay out and excavation of the foundation however the contractor was by 6th February 2019 not on site.
Selected health facilities rehabilitated in Sironko district- (Private wing and 5 stance pit laterine	84	56	100	0.00	0.00	Physical progress was 0% against 67% release. The procurement process was at display stage of the Best Evaluated Bidders (BEB) for the different contracts

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
constructed at Budadiri HCIV, Maternity Ward renovated at Bumumulo HCIII, Staff House renovated at Buyaya HCII, Gas Cylinders procured for the district stores, 3 stance pitlatrine constructed at Bubbeza HCII in Sironko district						and was due for expiry on 7th February 2019.
Terenpoy HC II upgraded to HCIII in Kween district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The contract was signed on 17th January 2019 between the Sironko DLG and Geomax Engineering Limited. The contract value is Ug shs 473,936,923 for a period of 5 months. The contractor had commenced with site lay out and excavation for the foundation however he was not onsite by 7th February 2019. The contractor had requested the DLG for 30% of contract value as advance payment and processing was ongoing.
Selected health facilities rehabilitated in Kween district	60	40	100	0.00	0.00	The Health Department had not initiated procurement for works. There was clear information gap between the CFO, CAO and the DHO. The latter did not know that the DLG rectified the warranting challenge and had access to maintenance funds. By 7th February 2019, the DHO still observed inability to access funds following an error commission during warranting process.
Chemosong HC II upgraded to HCIII in Kapchorwa district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The contract was signed on 18th January 2019 between the DLG and Geomax Engineering Limited. The contract value is Ug shs 473,363,925 for a period of 6 months. The contractor had commenced with site lay out and foundation excavation and had commenced on the plinth works. The contractor was on site; however, it

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
						was noted that the contractor was using equipment that was locally mobilized by the locals therefore his capacity to manage the lot was questionable. The contractor had also requested the DLG for 30% of contract value as advance payment and processing was ongoing.
Selected health facilities rehabilitated in Kapchorwa district(DHO's rehabilitated, Solar system installed at the DHO's office, and Furniture procured)	36	24	100	0.00	0.00	Physical progress was 0% against 67% release. The procurement was at initiation stage. The district engineer was finalizing the BoQs for the civil works.
Upgrading of Kimaka HCII Mpumudde division	500	335	1	0.00	0.00	Displayed the best evaluated bidder, signing of the contract was expected by mid-February 2019. There was lack of clarity on what percentage was allocated for monitoring and supervision of the project by stakeholders.
Sebei College Sick Bay HC II upgraded to HCIII in Kapchorwa Municipality	500	335	100	0.00	0.00	Planned works had not started. The site was handed over to the contractor and the Municipality was verifying the advance payment guarantee to process advance payments as requested by the contractor.
Selected health facilities rehabilitated in Kapchorwa Municipality	6	4	100	0.00	0.00	Procurement had not been initiated.
Olelpek HC II upgraded to HCIII in Apac district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The contract was signed between DLG and M/s KAST Engineering Works Limited. The works had not commenced. The contract amount for works is Ug shs 479,489,811 with a contract duration of four months.
Selected health facilities rehabilitated(Staff house renovated) in Apac district	30	20	100	0.00	0.00	Physical progress was 0% against 67% release. The procurement for works had by 18th February 2019 not been initiated.

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Apac district Hospital rehabilitated	300	200	100	0.00	0.00	Physical progress was 0% against 67% release. The works had not commenced pending relocation of patients from the female ward.
Ayer HC II upgraded to HCIII in Kole district	500	335	100	0.00	0.00	Physical progress was 0% against 67% release. The contract was awarded to M/s KAST Engineering Works Limited and was submitted to the Solicitor General on 19th February 2019. The contractor had cleared site before official site hand over and final contract signing. The contract amount for works is Ug shs 475,000,000 with a contract duration of four months.
Selected health facilities rehabilitated (Renovate office block, Repair of DHOs office, 3 stance pit latrine) in Kole district	36	24	100	0.00	0.00	Physical progress was 0% against 67% release. The procurement was by the 19th February 2019 still at initiation. The district engineer had not finalized the BoQs for the required works.
Atura HC II and Ariba HC II upgraded to HCIII in Oyam district	1,000	670	100	0.00	0.00	Physical progress was 0% against 67% release. The contract was signed on 19th February 2019 between the DLG and M/s KAST Engineering Works Limited at a contract sum of Ug shs 993,290,981. The contractor was on site and had commenced excavation works without official contract and site hand over. The conduct of the contractor undermines the role of the project manager at the district.
Selected health facilities rehabilitated in Oyam district	50	33	100	0.00	0.00	Physical progress was 0% against 67% release. The district did not know about the funds for maintenance of district infrastructure. The DHO observed that his office was to follow up on the available funds so that they are used for maintenance.
OPD at Mpumudde HCIII maintained in Lyantonde district	30	20	100	0.00	0.00	Physical progress was at 0% against 67% financial release. By 31st December 2018, works were under procurement.
Lyakajura HCIII	500	335	100	0.00	0.00	Overall, the physical progress was 0%

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
rehabilitated in Lyantonde district						against 67% release. The DLG was awaiting the due diligence report from MoH. The district had spent Ug shs 4,100,000 on the evaluation process. The BEB for works was M/s P&D Traders at a contract sum of Ug shs 462 million.
Rweshande HCII and Rwakitura HCII upgraded in Kiruhura district.	1,000	670	100	0.00	0.00	Physical progress was 0% against 67% release. By 14th January, 2019, the DLG was awaiting the due diligence report from MoH. The district had spent Ug shs 9,985,000 on bid evaluation and monitoring processes.
Burunga HCIII OPD completed, office equipment procured, medical equipment procured in Kiruhura district	104	70	100	40.00	0.49	The site at Burunga HCIII was handed over to M/s Byaahi Technical Services Ltd on 4th January 2019 and by 14th January 2019, the construction works had not commenced. The contract sum is Ug shs 44,416,083 for a period of 15 weeks. M/s Virika Pharmacuticals Ltd procured one generator for Kazo HCIV at Ug shs 12 million, a solar system for the DHOs office at ug shs 7 million and, assorted medical equipment at Ug shs 6,805,077, Two office laptops at Ug shs 6 million and 2 printers at Ug shs 2 million were still under procurement.
Maternity ward at Rubaya HCIII completed,staff houses at Nyabikungu HCII completed in Mbarara district	72	72	100	100.00	0.57	Overall 72% of the maintenance funds were paid as retention for the completion of a maternity ward at Rubaya HCIII to M/s Yeewa Enterprises Ltd. Works for staff house completion at Nyabikungu HCII at Ug shs 19,270,580 by M/s JB Kabuyanda Ltd. were ongoing.
Health department block completed, 3 stance VIP latrines constructed at Kasaana HCII in Sheema	50	33	100	20.00	0.12	M/s Mutara Works Enterprises at Ug shs 26,285,240 had done 60% of works on the district health department block. Works started on 12th December 2018

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
district						for a period of 2 months. Construction of three stance VIP latrines at Kasana HCII works were awarded to M/s Kosail Team Ltd at Ug shs 16,500,000 works were scheduled to start on 17th December 2018. By 16th January 2019, no works had commenced. Drawing of building plans for Kasana HCII VIP toilets and preparation of BoQs for the health block was done at Ug shs 2,740,000.
Kyeihara HCII and Mabare HCII upgraded in Sheema district	1,000	670	100.00	0.00	0.00	Physical progress for upgrading Kyeihara HCII and Mabare HCII was at 0% against 67% release. The contract for works was awarded to M/s B&D International Company Ltd at Ug shs 934,135,938 on 16th January 2019. Ug shs 2,250,000 was spent on the evaluation process. Development of the master plan for Kyeihara and Mabare HCII was done and securing of the land title was ongoing for which Ug shs 2,740,000 was spent.
2 VIP lined pitlatrines constructed at Nyarwimuka HCII and Musya HCII in Rukungiri district	72	48	100	95.00	0.57	M/s Rugunika Investment Ltd, constructed 2No. Two stance VIP lined latrines with urinals at Nyamwiruka HCII in Ruhindi S/C at a cost of Ug shs 41,019,010. By16th January 2019, the project had not been handed over to the users. Two stance VIP lined latrines with urinals and screen walling at Musya HCII was completed by M/s Namara Trust General Contractors Ltd at Ug shs 26,859,000. However, the project had not been handed over to the facility.
Karuhembe HCII upgraded in Rukungiri district	500	335	100	0.00	0.00	Physical progress was at 0%. The contract was awarded to M/s Riky Building Materials Ltd at a sum of Ug shs 563,334,452. Commencement of works was awaiting MoH due diligence

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
						report.
Two ecosan toilets constructed at Kanungu HCIV and Kihihi HCIV in Kanungu district	72	72	100	50.00	2.26	Physical progress for construction of 2 eco-san toilets at Kanungu HCIV and Kihihi HCIV was at 0%. The contract was awarded to M/s Mushabe General Contractors at Ug shs 36 million. Overall, 5% was achieved of the planned outputs. This basically covered the benchmarking tours, procurement of laptops, desktops, furniture, equipment and maintenance of door locks at the health departments which costed Ug shs 32,913,000.
Matanda HCII upgraded in Kanungu district	500	335	100	0.00	0.00	Upgrading works for Matanda HCII were awarded to M/s Riky Building Materials Ltd at Ug shs 563,334,442. The district was awaited the due diligence report from MoH and had only spent Ug shs 2,655,000 on the evaluation process.
Completion of the theatre at Mpigi HCIV and completion of a maternity ward at Nindye HCIII in Mpigi district- PHC transition grant	372	372	100	0.00	0.00	Physical progress of works for completion of the general theatre at Mpigi HCIV was at 80% by M/s JES&E Technical Services. Pending works included final painting, external works and terrazo works for some rooms in the theater. The contract sum was Ug shs 300 million. Works started in May 2018 and completion date was November 2018. However, the contractor was behind schedule and was given three months' extension up to 8th February 2019. Completion of a maternity ward was at 0% physical progress as procurement for construction was ongoing. The master plan to upgrade Nindye HCIII to HCIV level was contracted to M/s Pan Modern Consult Ltd. The inception report, engineering designs, and final report had been completed.
Up grading of Nyendo	500	500	100	0.00	0.00	Physical progress was at 0%. The

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
HCII in Masaka Municipality						contract was awarded to M/s Haso Contractors and Engineers. Delays to start works were attributed to MoH that had not sent the due diligence report by mid-January 2019.
Maintenance of Kalisizo hospital in Kyotera district- PHC transitional	272	224	100	1.00	0.03	A placenta pit was constructed and was in use. The contractor was M/s Kasase Contractors at Ug shs 18 million. Other works had not started. These included general hospital fencing, renovation of the TB isolation ward, renovation of two staff houses, painting of the five roofs for the 5 staff houses and HMIS office, water and plumbing works for the entire hospital, repair of cracks on the UNEPI and theatre verandas. Start of works was awaiting approval of BoQs by the district engineer.
Up grading of Kyamwashya and Nyabushenyi HCII in Ntungamo district	1,000	670	100	0.00	0.00	Contracts for upgrading the two health centres were at the Solicitor General for clearance.
Payment of retention for FY2 2015/16, FY 2016/17, Renovation of Rubare HCIV OPD in Kabale district	104	70	100	5.00	0.06	Works for FY2018/19 had not commenced. The district paid 40% of the receipts for retention for the completed constructions of FY 2015/16 and 2016/17. Ug shs 60 million was allocated for renovation of Rubare HCIV and works had not started.
Maintanance of selected facilities in Kabale district(Theatre renovate at Rubaya HCIV,VIP latrine constructed at Kaharo HCIII, OPD at Kamugaru HCIII renovated, Kabindi and Nyakashara HCII renovated	54	36	100	0.00	0.00	Physical progress was 0% against 68% release. The procurement was ongoing at contract award stage.
Kasherengeyi HCII upgraded in Kabale district	500	500	100	0.00	0.00	Civil works had not started. The district awaited the due diligence report from MoH. The evaluation meeting was held. No funds were spent.

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
Kyakasa HCII staff house renovated in Mubende	68	45	100	0.00	0.00	All works were still at procurement level BoQs were finalized. The district planned to renovate Kyakasa HCII staff house at UG shs 30million and renovate the DHO's office at Ug shs 40million.
Butawata and Butologo HCII Up graded in Mubende district	1,000	670	100	0.00	0.00	Planned works had not started. The contracts were still at Solicitor General`s office for clearance. The contract to upgrade Butawata and Butologo HCIIs was awarded to M/s Nicole Investments Ltd.
Two HCIIs Up graded in Kyenjojo district	1,000	670	100	0.00	0.00	Physical progress was at 0% against 67% financial release. The MoH had just sent the due diligence report to the district.
Payment of retention for kyenjojo ART Unit and admiistration block	80	53	100	100.00	0.64	All funds were utilized for payment of retention for Anti-Retroviral Therapy Unit and Administration block at Kyenjojo hospital to M/s CK Associates.
Renovation of staff house at Nyabuswa HCIII in Kabalore district	72	48	100	0.00	0.00	Procurement was still ongoing.
Nyantaboma HCII up graded in Kabalore district	500	335	100	0.00	0.00	Up grading works had not started at Nyantaboma HCII and the contract had just been awarded to M/s Kdavid and Friends.
Nyamirama HC completed, DHOs office renovated and the district drug store reroofed in Kasese district	134	90	100	80.00	1.06	Overall progress was 81%. Construction of a generator house was at 95% completed, renovation of the district health office at 60% and the district drug store was at 90% physical progress. Construction of the walkway and completion of the laundry at Nymirama HCIII was under procurement.
Yyampara HCII and Nyakimasa HCII upgraded in Kasese District	1,000	670	100	0.00	0.00	Works had not started at Kyampara HCII and Nyakimasa HCII.
Kamara HCII and Kabandiri HCII upgraded	1,000	670	100	0.00	0.00	Works had not started, waiting the

Out put/Subprogrammes	Annual Budget (Ug shs million)	Cum. Receipt (Ug shs million)	Annual Target	Cum. Achieved Quantity	Weighted Physical performance Score (%)	Remarks
in Kamwenge district						Solicitor General's clearance
5 stance VIP latrine constructed at Nyabanni HCIII, doctors house constructed at Rukunyu HCIV in Kamwenge district	86	57	100	0.00	0.00	Physical progress of construction works for the 5 stance VIP latrines was at 75% completion and undertaken by M/s Galizooka Mutegyeki Tom and Co. Ltd. However, no payments were made. Construction of a doctor`s house at Rukunyu HCIV started in January 2019 by M/s Sky Limit Engineering Ltd at Ug shs 126 million.
Kihukya HCII upgraded in Hoima district	500	335	100	0.00	0.00	Overall physical progress was at 0%. The contract was at Solicitor General`s office for clearance and was awarded to M/s Gilal Co. Ltd.
Selected health facility maintained in Hoima municipality	18	12	100	0.00	0.00	Overall, projects were at 0%. The health department undertook a needs assessment on the peculiar needs of each facility and presented to the Town Clerk to agree on which facility needed support.
Programme Performance (Outputs)					**5.93**	

Source: Field Findings

Clock wise: Construction of the maternity ward at Maracha HCIV, Marcha District. Maternity ward at Sikuda HCIII in Busia District, rehabilitation of DHO's office at Kasese District, and Operating theatre Mpigi HCIV, Mpigi District

Box 8.2: Key issues to note under the Sub-programme for Upgrading HCIIs to IIIs

- ***Uniform allocation for the upgrade of all health facilities:*** *Each facility was allocated Ug shs 500million regardless of regional and geological (soil structure) differences. The funds allocated to facilities in Bundibugyo, Kisoro, Lamwo were the same funds allocated to facilities in Wakiso or Mpigi. This led to revision of scope and elimination of some crucial components such as placenta pits, latrines and medical waste pits due to inadequate allocations in some districts. This undermines the effective functionality of the upgraded Health centres.*
- ***Differences between contract and FY 2018/19 timelines****: The contract end dates for most (95%) of the districts are after June 2019. This implies that districts would not have expended the released funds before end of FY2018/19. Most of the contracts were signed in January, while others had not been signed by end of February 2019.*

Source: Field Findings

Service delivery challenges in local governments

- The MoH delays to budget; code and enroll health facilities constructed by development partners, or community driven initiatives especially refugee settlements. These fail to receive medicines and other supplies. Examples include; Arembwola HCII in Abim, Kosoroi HCIII in Acherere, and Kodonyo HCII, Kalemungole in Moroto District.
- Poor communication between the DLG and MoH. Majority of districts (75%) had not formally received the PHC development guidelines from MoH. Busia DLG for instance locally procured a contractor contrary to the guidelines. Abim DLG similarly planned to use the transitional funds meant for the hospital to upgrade Wielela HCII to HCIII.
- Under staffing amidst the constricted staffing norms. The MoH and MoPS had not revised the staffing norms for over five years. The health workers are heavily constrained to provide the new wide range of services for Maternal, Child Health and HIV and increasing number of non-communicable diseases such as diabetes, hypertension among others.
- Delays from the user departments to initiate procurement. Some LGs like Maracha initiated procurement in October 2018 yet over 25% of budgeted funds had been released by the first quarter FY 2018/19.
- Centralization and or implementation of the hybrid procurement that is not in line with the PPDA regulations undermines decentralization and fuels exclusion of the user needs.
- The exclusion of the DHOs, including the assistant DHOs (Environment and Maternal Child Health) from salary enhancement demotivates them and undermines the public standing orders where superiors are paid better than their juniors.

- Inadequate accommodation of health workers leading to late arrivals and early depatures. In Yumbe District for instance, 40% of the health workers were accommodated; while in Luuka District only 20% were accommodated.
- Low access to health facilities with Yumbe District at 55% of population accessing heath facilities in the 5Km radius.
- Inadequate transport means particularly for support supervision, outreaches and other administrative works for both the DHO's office and health facilities.
- Planning in the health sector is **NOT** fully addressing the gender and equity concerns. The delivery and examination beds for the disabled are conspicuously missing in Uganda's health facilities.
- Inadequate wage bill to fill up the vacancies.
- Inadequate funding to facilitate the follow up of the HIV patients.
- Theater at Busolwe GH lacks functioning theatre lights and running water for infection control. Busesa HCIV in Bugweri District is operating without proper theater lights.
- Lack of critical cadres such as radiographer at the Tororo Hospital; Sonographer at Mukunyu HCIV.

Conclusion

The performance of LGs was dismal at 6% of the semi-annual target achieved. Majority of LGs initiate procurements late (between second and third quarter) partly due to poor planning and limited confidence in MFPED to release funds as provided for in the Indicative Planning Figures (IPFs). There is also a communication gap between the MoH, and LGs on the utilization guidelines for the allocated funds. In addition, there is a large response time (lasting for more than a month) when local governments write to the MoH. The identified challenges are solvable to aid better service delivery.

Recommendations

- The MFPED and PPDA should build planning, budgeting capacity and confidence of the districts local governments to start early initiation of procurements.
- The MoH should improve and harmonise communication processes to LGs. The response time should be shorted to maximum two weeks to avoid unnecessary delays in project implementation
- The MoH and MoPS should hasten the revision of the staffing norms and structure to improve service delivery in the health sector.
- The MoH should ensure that all procurements for medical equipment are gender and equity sensitive.

CHAPTER 9: INFORMATION AND COMMUNICATION TECHNOLOGY

9.1 Introduction

The mission of the Information, Communications Technology and National Guidance (ICT&NG) sector is to "promote the development of ICT infrastructure and services throughout the country". The mandate of the sector is to provide strategic and technical leadership, overall coordination, support and advocacy on all matters of policy, laws, regulations and strategy for sustainable, effective and efficient development, as well as harnessing and utilization of ICT in all spheres of life to enable the country achieve its development goals.

The sector is composed of the Ministry of Information, Communications Technology and National Guidance (MoICT & NG), National Information Technology Authority (NITA-U), Uganda Communications Commission (UCC), Uganda Post Limited (UPL- operating as Posta Uganda), Uganda Media Centre, Uganda Broadcasting Corporation (UBC) and Uganda Institute of Information and Communications Technology (UICT).

The semi-annual monitoring for FY 2018/19 in the ICT sector covered the Ministry of ICT and National Guidance (MoICT&NG) and National Information Technology Authority (NITA-U).

9.1.1 Sector objectives and priorities

The overall sector objectives as outlined in the National Development Plan II are to:

- Increase access to ICT infrastructure to facilitate exploitation of the development priorities.
- Enhance the usage and application of ICT services in business and service delivery.
- Increase job creation through ICT research and development.
- Increase the stock of ICT skilled and industrial ready workforce.
- Improve the information security system to be secure, reliable, resilient, and capable of responding to cyber security threats.
- Improve the legal and regulatory frameworks to respond to the industry needs.
- Increase the stock and quality of strategic infrastructure to accelerate the country's competitiveness

9.1.2 Overall Sector Financial Performance

The overall budget for the ICT sector comprising of Wage, Non-Wage Recurrent, Development, Gross Tax, and Appropriation in Aid (A.I.A) for FY2018/19 is Ug shs 181.07 billion, out of which Ug shs 41.796 billion was for Vote 020 (Ministry of ICT&NG), and Ug shs139.274 billion was for Vote 126 (NITAU).

The release and expenditure performance was good and poor respectively (60% and 45% respectively). Table 9.1 shows the semi-annual sector financial performance by vote.

Table 9.1: Sector budget allocation and outturn by 30th December2018 (Ug shs billion)

Vote	Budget	Release	Expenditure	% Release	% Spent
MoICT&NG	41.796	26.372	8.00	63	30
NITA-U	139.274	82.553	40.39	59.3	49.7
Total	**181.07**	**109.14**	**49.16**	**60**	**45**

Source: MoICT, NITA-U and IFMS, January 2019

At vote level, the absorption was higher under the NITA-U at 49.7% of the released funds, while only 30% of funds released under the MoICT&NG were utilised by 31st December 2018. At the MoICT&NG, all funds released under arrears to Uganda Broadcasting Corporation (Ug shs 11.2 billion) were not spent. Overall, absorption was below average. The low budget absorption is largely attributed to procurement delays at the MoICT&NG and failure to issue timely "no objection" from the World Bank on a number of procurements under the NITA-U, RCIP.

9.1.3 Scope

This chapter reviews the half year performance of selected programmes, policies and projects implemented by the Ministry of ICT&NG and NITA-U for the first half of FY2018/19. Under NITA-U, all programmes and one development project namely; Regional Communication Infrastructure Programme (RCIP) were monitored. Under the MoICT & NG, two development project; Strengthening Ministry of ICT (0990) and Support to Information and National Guidance (1006) were tracked.

The programmes monitored were: Enabling environment for ICT Development and Regulation, Effective Communication and National Guidance, General Administration, Policy and Planning, Electronic Public Services Delivery (e-transformation), Shared IT infrastructure and Streamlined IT Governance and capacity development.

9.1.4 Limitations

- Lack of detailed quarterly work plans and targets for some programmes/projects/outputs.
- Lack of disaggregated financial information for most of the outputs which might have affected the scores.

9.2. National Information Technology Authority (NITA- U – Vote 126)

The agency's mission is to "coordinate, promote and monitor the development of Information Technology (IT) in the context of social and economic development of Uganda". The vote has one development project namely; Regional Communication Infrastructure Programme (RCIP) which is co-funded by the World Bank and GoU.

The objectives of the agency are to:

- To provide high quality information technology services to Government;
- To promote standardization in the planning, acquisition, implementation, delivery, support and maintenance of information technology equipment and services, to ensure uniformity in quality, adequacy and reliability of information technology usage throughout Uganda;
- To provide guidance and other assistance as may be required to other users and providers of information technology;
- To promote cooperation, coordination and rationalization among users and providers of information technology at national and local level so as to avoid duplication of efforts and ensure optimal utilization of scarce resources;
- To promote and be the focal point of co-operation for information technology users and providers at regional and international levels; and
- To promote access to and utilization of information technology by the special interest groups

The agency is organized into six directorates namely: Technical Services, E-government Services, Information Security, Regulation and Legal Services, Planning Research and Development, Headquarters, and Finance and Administration. The directorates contribute to three programs namely: i) electronic public services delivery (e-transformation), ii) Shared IT infrastructure and iii) Streamlined IT governance and capacity development

Performance

Financial performance

The approved budget for NITA-U, FY 2018/19 is Ug shs 139.27 billion, of which Ug shs 82.55billion (59%) was released and 49% of released funds spent by 31st December 2018. Table 9.2 shows the approved budget, release and expenditure performance by category. Although 76% of the budgeted arrears was released, there was zero expenditure. Only 40% of the releases under external financing were spent. This was partly due to ongoing procurement of service providers for the different RCIP projects.

Table 9.2: Financial Performance of NITA-U by 31st December 2018 (Ug shs)

Annual Budget (Ugshs billion)		Cumulative Releases (Ugshs)	Cumulative Expenditure (Ugshs)	% Release	% Spent
GoU	27.57	12.988	11.768	47.1	90.6
Donor/Ext. finance	94.448	58.627	23.248	62.1	39.7
NTR/AIA	16.271	10.182	5.372	62.6	52.8
Arrears	0.985	0.756	0	76.8	0.0
Total	**139.274**	**82.553**	**40.39**	**59.3**	**48.9**

Source: NITA-U & IFMS

9.2.1 Program 1: Electronic Public Services Delivery (e-Transformation)

The program covers three sub-programmes namely, the Regional Communication Infrastructure Programme (RCIP), Information Security and e-Government Services.The overall program performance for the first half of FY 2018/19 was fair, at 57%. Table 9.3 shows the program performance by sub-programmes.

9.2.2 Regional Communication Infrastructure Program (RCIP)-Project 1400

Introduction

The Regional Communications Infrastructure Programme (RCIP) is a World Bank funded initiative that became effective in May 2016. The five-year project aims to transform public service delivery using Information and Communications Technologies (ICT) to improve the lives of Ugandans. It will complement existing ICT initiatives in the country, including the National Backbone Transmission Infrastructure (NBI) and private sector investment by helping to bridge the financing and technical gaps. The RCIP intends to support the GoU in improving: (i) Coverage for IT infrastructure in the country; (ii) The delivery of public services by improving efficiency through government cloud infrastructure; (iii) Integration of Government IT systems; (iv) Building capacity in management of IT programs and projects; (v) Improve policy and regulatory environment for ICT in the country.

The objectives of the RCIP Uganda are to: (i) Lower prices for international capacity and extend the geographic reach of broadband networks (connectivity); and (ii) Improve the Government's efficiency and transparency through e-Government applications.

The US$85m project is financed by credit from the World Bank (US$ 75m) and GoU (US$10m counterpart funding).

During the FY 2018/19, NITA-U planned to undertake the following activities: Develop Enterprise Security Architecture (ESA), Framework contract for the NISF remediation in place (RCIP); National CERT Enhancement (RCIP Component 3.4); Framework Contracts in place for ISO 27001 Certification and e-Payment Gateway Assurance; Key Agreements in the Project Appraisal Document (PAD) and financial agreements are met; Commence Implementation of Missing links; The National Backbone Infrastructure (NBI) extended to 200 new MDAs, LGs, Priority User and Special Interest Groups under the last mile; Unified Messaging and Collaboration System established in Eight (8) MDAs; Shared Public Service Delivery Platforms established: E-GP; Government Cloud implemented.

Performance

The approved budget for the RCIP Uganda for FY 2018/19 is Ug shs96.072 billion, of which Ug shs58.68 billion (61%) was released and Ug shs 23.24 billion (40%) spent by 31st December 2018. The release performance was very good, while expenditure was poor.

Project implementation started in May 2016 and the following was accomplished. The implementation structures were established including a steering committee with representatives from sectors. Project staff were recruited. The half year period saw the signing of the SMS Gateway contract, the signing brings the total contractual commitments (excluding individual consultants) to approximately US$21.6 million. During FY2018/19, six (6) projects were under implementation namely: UMCS, Cloud Solution, e-GP, Gap Analysis of Policy & Legal

Framework for ICT Sector, Installation of green energy in 25 sites (solar equipment) and SMS Gateway Project

The "No Objection" for Missing Links Project and the procurement had progressed to contract stage. The vendor was expected to sign the contract by January 2019.

The components of the Enterprise Security Architecture (ESA) were incorporated within the Government Enterprise Architecture Terms of Reference and submitted to WB for approval. The EOI stage was completed for the consultancy for the development of the Government Enterprise Architecture. The NITA-U was awaiting clearance from the World Bank (WB). Other activities pending WB approval include: the procurement of the consultancy firm for the NISF remediation, procurement of the CERT environment and digital forensics components, and the ISO/IEC 27001 Consultancy.

The procurement process for missing links bids was initiated and the World Bank gave "no objections" to the following procurement process: an independent supervisor, display of best evaluated bidder, preparation of final evaluation report, and roll out of UMCS solution in six pilot sites namely; Uganda Police Force (UPF), National Environement Management Authority (NEMA), NITA-U, MoICT & NG, Financial Intelligence Authority (FIA), and State House.

The business process and requirements document were approved; and rolled out the Electronic Government Procurement (e-GP) system to six MDAs namely:

i. Uganda Registration Services Bureau (URSB)
ii. National Identification and Registration Authority (NIRA)
iii. National Social Security Fund (NSSF)
iv. Uganda Revenue Authority (URA)
v. Ministry of Finance, Planning and Economic Development (MFPED)
vi. National Information Technology Authority (NITA)
vii. The concept note for change management strategy was submitted to the WB for approval.
viii. The National Data centre was hosting nine (9) additional applications by December 2018.

Implementation challenge

- Long delays in securing procurement approvals/no objection particularly from the World Bank affected absorption of funds.

Recommendation

- The NITA-U should regularly engage the World Bank Task Team Leader to ensure that "no objections" are secured in time.

9.2.3 Information Security subprogramme

Background

The Directorate of Information Security provides leadership, organizational structures and processes at the national level that safeguards information against accidental or unauthorized modification, destruction, or disclosure. It coordinates efforts to remediate security alerts and respond to information security related incidents and threats; Coordinate with other institutions including law enforcement to identify and plan for security in all aspects of data, application, hardware, telecommunication, and computer installation and to carry out information security assessment for other organisations.

In order to protect MDA resources and systems from potential cyber-attacks and associated risks such as cyber terrorism, the Government of Uganda has put in place structures and mechanisms to operationalize the National Information Security Framework (NISF).

Performance

National Information Security Framework (NISF) implementation in 12 MDAs: Fourteen (14) NISF Assessments were carried out in the Courts of Judicature, National Council of Sports, Uganda Law Reform Commission, Uganda Heart Institute, Naguru Hospital, Ministry of Science, Technology and Innovation, Uganda Wildlife Authority, Jinja Local Government, Uganda Coffee Development Authority, Masaka High Court, Mbarara High Court, Kabale High Court, Rukungiri Chief Magistrates Court and Bushenyi Chief Magistrates Court.

NISF Remediation carried out under RCIP for 5 MDAs: The activity was pending World Bank approval for the procurement of the consultancy firm for the NISF remediation.

National Information Risk Register maintained: The National Cyber Security Index which contributes to the National Risk Register was validated by NISAG.

National Cyber security Outlook: The activity was not initiated due to inadequate funding.

CERT Advisory and Alerting carried out: The agency provided support for incident handling and resolution for eight (8) MDAs on areas that include malware cleanup, network vulnerability management as well as spam handling.

Provided incident resolution for four VVIP online impersonation attacks. Developed and disseminated twenty three (23) cyber security advisories.

Accreditation Framework for Vulnerability Assessment &PT auditors and organisations developed: The activity was to be undertaken in Q3.

The National CERT Forensic and Environment enhanced: The activity pending World Bank approval for the procurement of the CERT environment and digital forensics components. Accreditation of CERT.UG was planned for Q4.

9.2.3.1. E-Government Services sub-programme

Background

Electronic government, also known as digital government, online government, or connected government is the comprehensive implementation of ICT in MDAs and Local Governments (LGs). The directorate's mission is "Integrating Uganda to provide quality services to citizens, and to improve the national competitiveness through administration innovation, and to reform unnecessary processes based on interconnected government and safe society".

Performance

NITA-U provided free Wi-Fi internet services (MYUG) to citizens in Kampala from 6pm- 6am during the week, and 3pm- 9am over the weekend. During the first two Quarters, three (3) additional sites were connected bringing the total number of the hotspots connected to MYUG to One Hundred and fifty four (154) since inception. Continuous monitoring is undertaken to ensure effectiveness, efficiency and sustainability of the MYUG free Wi-Fi while addressing any teething problems.

One (1) MDA enrolled for Microsoft Business Services Agreement (MBSA) i.e. UEGCL. The MoUs for two more were being finalized.

Seventeen (17) new websites were developed bringing the total number of websites in Government to two hundred ninety three (293).

A total of 280 MDA/LGs websites were maintained and supported. Twenty seven (27) LGs and entities received training and capacity building.

Technical support was provided to thirty six (36) new and ongoing projects in MDAs and LGs.

Two (2) additional e-government services were provided through a single point of contact (the e-Government Portal) bringing the total to Eighty One (81) e-Government services. The platform improved access to these services by the citizens. The new services that were added include; E-certification service by MAAIF and Anti-Corruption Online Tool by Office of the President.

A total of forty (40) N7 forms were processed by NITA-U. This includes review of terms of reference, MDA engagements, and analysis of technical requirements. This has minimized duplication of systems across government.

Table 9.3: Electronic Service Delivery Programme Overall Performance by 31st December, 2018

	Output/Sub-programmes	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Information Security	NISF Implementation initiated in 12 MDAs	424,644,000	204,882,125	42.00	22.50	0.27	14 assessments conducted.
	NISF Remediation carried out under RCIP for 5 MDAs	-	-	0.00	0.00	0.00	Pending WB approval.
	National Information Risk Register maintained	-	-	0.00	0.00	0.00	Register vaslidated by NISAG.
	National Cyber security Outlook	-	-	0.00	0.00	0.00	Not initiated.
	CERT Advisory and Alerting carried out	-	-	0.00	0.00	0.00	Support given to eight MDAs.

	Accreditation Framework for Vulnerability Assessment &PT auditors and organisations developed	-	-	0.00	0.00	0.00	
	National CERT Forensic and Environment enhanced	-	-	0.00	0.00	0.00	Pending World bank approval.
	CERT.UG Accredited by FIRST	-	-	0.00	0.00	0.00	Planned for Q4.
E-Government Services	Government cloud implemented (Host 20 e-government applications in the data centre/government cloud)	3,155,862,843	406,612,046	267.00	137.90	2.00	Facilities are currently providing services to 33 MDA/LGs and hosting 36 critical Government applications and systems.
	Interoperability Framework and Enterprise Architecture put in place	-	-	0.00	0.00	0.00	
	Whole-of-Government Integration and data sharing platform established	-	-	0.00	0.00	0.00	Activity ongoing.
	Deploy, and manage a Unified Messaging and Collaboration System (UMCS)	-	-	0.00	0.00	0.00	Activity ongoing.
	Deploy and manage an e-GP system across government	-	-	0.00	0.00	0.00	Activity ongoing.
	Two (2) priority e-services implemented	-	-	0.00	0.00	0.00	
	e-Payment gateway piloted within 5 entities	-	-	0.00	0.00	0.00	Activity ongoing.
	Develop and maintain 35 MDA & LG websites	-	-	0.00	0.00	0.00	Seventeen (17) new websites were developed.
	Operationalize IT Service Desk	-	-	0.00	0.00	0.00	Service desk was operationalized.
	Provide regular technical support to MDAs and LGs as and when called upon	-	-	0.00	0.00	0.00	Support provided.
	Maintain GCIC	-	-	0.00	0.00	0.00	GCIC maintained.

Project: 1400 Regional Communication Infrastructure	Develop Enterprise Security Architecture under RCIP Component 3.1	154,389,400,167	24,591,338,167	255.00	22.90	55.10	Ongoing.
	Framework contract for the NISF remediation in place (RCIP)	-	-	0.00	0.00	0.00	Under procurement
	National CERT Enhancement (RCIP Component 3.4)	-	-	0.00	0.00	0.00	Under procurement
	Framework Contracts in place for ISO 27001 Certification and e-Payment Gateway Assurance	-	-	0.00	0.00	0.00	Ongoing
	Key Agreements in the PAD and financial agreements are met	-	-	0.00	0.00	0.00	Ongoing
	Commence Implementation of Missing links	-	-	0.00	0.00	0.00	WB provided no objection
	The National Backbone Infrastructure (NBI) extended to 200 new MDAs, LGs, Priority User and special interest Groups under the last mile	-	-	0.00	0.00	0.00	Sixty five (65) additional MDA sites were connected.
	Unified Messaging and Collaboration System established in Eight (8) MDAs	-	-	0.00	0.00	0.00	Substantially Completed
	Shared Public Service Delivery Platforms established: E-GP	-	-	0.00	0.00	0.00	21.1% Completion
	Government Cloud implemented	-	-	0.00	0.00	0.00	90% progress
	Programme Performance (Outputs)					**57.37**	

Source: NITA-U and IFMS

9.2.4 Program 2: Shared IT infrastructure

The program is executed through the sub-programme of Technical Services. The overall programme performance for the first half of FY 2018/19 was fair, rated at 51.6%.

9.2.4.1 Technical Services

Background

The directorate's core roles are to provide first level technical support and advice for critical Government information technology systems including managing the utilization of resources and infrastructure for centralized data center facilities for large systems through the provision of specialized technical skills. In addition, it identifies and advises Government on all matters of information technology development, utilization, usability, accessibility and deployment including networking, systems development, information technology security, training and support; and provide guidance on the establishment of an infrastructure for information sharing by Government and related stakeholders.

Performance

Extension of the NBI and connectivity

Sixty five (65) additional MDA sites were connected as at 31st December 2018 bringing the total number to three hundred ninety seven (397) sites connected to the NBI. A total of two hundred eighty two (282) MDA sites were receiving services (Internet bandwidth, IFMS, Leased lines, Data center and Dark fibre) over the NBI by half year.

The procurement process for the missing links bids was initiated. The World Bank gave a "No objection".

The 25 transmission site designs for connecting solar systems and payment for inception report were completed. Shipment of goods was ongoing.

The supervision of the contractor to implement NBI infrastructure relocations, extensions, provision of internet services and required maintenance of the National Backbone Infrastructure was on going.

Bulk Internet was delivered to One hundred Ninety five (195) MDAs/LGs/Target User Groups.

Clearance of arrears for MDAs whose funds were consolidated and sites that are beyond the geographic reach of the NBI and are being served by other ISPs. Operation and Maintenance for bulk internet is done periodically.

Table 9.4 shows the programme performance by 31st December 2018.

Table 9.4: Programme Performance for Shared IT infrastructure by 31st December, 2018

	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark

Technical Services	Extended the National Backbone Infrastructure (NBI) to 200 new MDAs, LGs, Priority User and special interest Groups	5,741,009,312	2,270,719,210	200.00	65.00	16.43	Extended backbone to 65 new sites.
	800km of fibre optic implemented to connect Nebbi, Pakwach, Arua, Koboko, Yumbe, Moyo, Adjumani, Katakwi, Moroto	5,741,009,312	2,270,719,210	800.00	0.00	0.00	Procurement ongoing.
	Implement Solar PV Project under RCIP at 25 transmission sites	5,741,009,312	2,270,719,210	25.00	0.00	0.00	Design completed.
	NBI commercialisation Contractor effectively supervised to generate the Projected Revenue	5,741,009,312	2,270,719,210	1.00	0.30	15.17	Contractor supervised.
	Transportation/Delivery of Internet Bandwidth to MDAs/LGs/Priority User Groups.	5,741,009,312	2,270,719,210	396.00	196.00	20.00	196 entities supplied with bandwidth.
	Programme Performance (Outputs)					**51.60**	**Fair performance**

Source: NITA-U, IFMS

9.2.5 Programme 3: Streamlined IT governance and capacity development

The program is composed of four sub-programmes namely: Headquarters, Legal and regulatory services, Planning, Research and Innovations, and Finance and Administration.

Program performance

The approved budget for the programme during FY 2018/19 is Ug shs21.034 billion, of which Ug shs7.209 billion (34.2%) was released and Ug shs5.235 billion (73%) spent by 31st December 2018. The release performance was fair, while the expenditure performance was good.The overall physical performance was 95%.

9.2.5.1: Headquarters

The headquarters' program is headed by the Executive Director. It is responsible for the management and operations of the Authority; management of the funds, property and business of the Authority, and the promotion, training and disciplining of the staff of the Authority in accordance with their terms and conditions.

Performance

The agency was engaging with the World Bank to procure a firm to develop a communication and partnership strategy. The Terms of Reference were approved by the NITA-U Executive Committee.

Thirteen (13) engagements to promote NITA-U brand were conducted as follows;

A tour by the Parliament ICT Committee of the National Data Centre.

Tour of the delegation from the Korea International Cooperation Agency, to undertake a Knowledge Sharing Program to support the implementation of the Greater Kampala Economic Development strategy, through eGovernment.

- In conjunction with KCCA, launch of the first smart traffic lights.
- Launch of the "She Leads" programme.
- First annual symposium on Intellectual Property, Technology and Innovation.
- Launch of the NITA-U service desk.
- Smart Tourism Conference.
- Cyber Defence East Africa Conference.
- Project loon workshop.
- Intellectual Property in ICT.
- Work Ethics and Culture Day
- NITA-U participation in the MTN marathon
- Training workshop for people with disabilities
- The agency published ten (10) articles in print media.

9.2.5.2. Regulation and Legal Services

Background

The program is responsible for providing an enabling regulatory environment for the achievement of NITA's mandate and the implementation of the cyber laws and other related laws; Ensure the compliance and enforcement of the cyber laws, NITA Act, regulations and other related legislation; Arbitrate disputes between arising between suppliers of Information Technology solutions and consumers; Provide legal services to NITA-U; Provide corporate secretarial services to NITA-U; and ensure compliance with all laws, procedures and policies.

Performance

NITA-U Certification of Providers of IT Products and Services (Amendment) Regulations were developed and published in the Uganda Gazette on 23rd November 2018. The Data Protection and Privacy Bill was passed by Parliament on 6th December 2018.

A benchmarking study was conducted in three (3) countries, namely: Mauritius, Malaysia and Chile, for the gap analysis of the existing legal, policy and regulatory framework for the ICT sector to enable harmonisation of the legal and regulatory environment.

A stakeholder's workshop to validate the draft report of the findings of the Gap Analysis was held. The directorate provided support to the tabling of the draft principles and justification paper for the proposed ICT professionals bill before the MoICT&NG Commissioners' forum.

Thirty one (31) sensitization activities on IT legislation were carried out to enhance awareness within government, regulated entities and the public.

The agency conducted eleven (11) compliance assessments on structured cabling standards and acquisition of IT Hardware and Software Guidelines and Standards.

9.2.5.3. Planning, Research and Innovation

Background

The roles of the directorate are: To support the development, monitoring and evaluation of National IT Strategies, Plans, Policies, Programmes and Initiatives in line with the NITA-U mandate. To lead change and provide a comprehensive approach in the development and implementation of IT strategic research & innovation agenda for the public sector in line with the NITA-U mandate and communicating corporate messages from agenda setting through impact assessment.

To formulate, enforce and monitor the implementation of national architecture blueprints, standards, certification and provide guidance for quality IT services including risk management and contingency planning. To create, implement and maintain an IT capacity building, training and awareness framework, Policy and Strategy in line with the NITA-U mandate.

To build and maintain a framework, model and process to provide centralized and coordinated support to programme management of all IT Projects across the public sector in line with the NITA-U mandate.

Performance

Carry out two (2) awareness/training sessions on standards: The Directorate held one (1) awareness session with the National-E-waste Committee at MoICT&NG. Provided Information/awareness support on network standards to the Directorate of E-Government and Directorate of Technical Services staff. Provided information on NITA-U activities and standards developed at the Digitalization Conference held in Kampala. Conducted awareness engagement on standards at Posta Uganda and Mukono District LG.

Promote the certification process and ensure that at least 100 new IT service providers are certified: Eighty two (82) additional firms were certified bringing the total to Two hundred Thirty Nine (239) IT firms certified. Awareness activities were not undertaken due to the delay in having the regulations Gazzeted.

Certification of NITA-U ISO 20000 undertaken: The ToRs for the ISO 20000 consultant were drafted and reviewed. The ISO training was still on hold by half year.

Two (2) NITA-U user demand driven surveys conducted: The directorate of planning and research finalised the survey design for the services provided by NITA-U, and drafted the questionnaire for the customer satisfaction survey, however the survey was put on hold. They engaged the stakeholders involved in the baseline study for system integration, drafted the study design for the baseline study for the integration of IT systems in government and drafted the questionnaire for the citizen’s part of the baseline study for the integration of IT systems in government.

NITA-U Statistical Abstract for 2018 developed and disseminated: The directorate collected data from key agencies involved in the production of IT Statistics (URA, UBOS, UCC and UIA), analyzed, collected, and drafted the NITA-U statistical abstract. The document was completed and posted on the NITA-U website.

Monitoring and inspection of two (2) NITA-U projects/initiatives conducted and status reports produced: Inspection of the National Operations Centre (NOC) and two transmission sites (Entebbe and Mukono) were conducted with the UCC team. The agency participated in the Local Government Budget consultative workshops and prepared an issue paper for consolidation in the Budget paper. The M&E framework was incorporated into the NITA-U Strategic plan.

Conducted ICT training of civil servants and participated in capacity building events organized by different stakeholders: The directorate participated in training on E-government and security for newly recruited civil servants in the Ministry of Defense and Veterans Affairs, coordinated the training of women entrepreneurs in IT and business marketing.

A strategy for Institutionalization of the ICT Function in government developed: The directorate of planning and research finalized the technical and financial bid evaluation and negotiated with the best evaluated bidder during the period under review.

9.2.5.3. Finance and administration

Background

The directorate is responsible for providing administrative and technical support to the Authority to optimally plan, generate, manage, deploy and account for all financial and other resources in the delivery of its mandate.

Performance

Preparatory activities of the Namanve ICT Hub (land acquisition, surveys and architectural design) completed: The procurements for fencing the land at Namanve, and roofing of the storage container were concluded. The agency engaged Uganda Investment Authority (the land lord) regarding fulfilment of the contractual obligations and engaged the Ministry of Works and Transport on development of ToRs for architectural designs for the NITA-U Centre of Excellence.

Ensure retention of skilled, healthy and productive workforce: All staff employment contracts, salaries, gratuity, funeral services, medical insurance, group personal accident insurance, canteen services, telephone credit (airtime services)were managed. Three staff were recruited under the mainstream NITA-U, one staff was recruited under the RCIP, and five staff contracts were renewed.

Facilities and Administrative Support Services provided for NITA-U operations: The new electricity prepaid meter was installed for Palm Courts, and the account was maintained up to date. Phones were loaded with airtime, security for office facilities at Palm Courts and staff properties was maintained. The directorate carried out general servicing of all fire equipment in preparation for the fire drill; serviced the access control system, generator, air conditioning systems, BPO centres, and IAC offices. They engaged different stakeholders for improvement in service delivery of their contracts these include; cleaning services, security, tenancy and drinking water. Table 9.5 shows the overall performance of the programme.

Table 9.5: Performance of Streamlined IT Governance and Capacity Development by 31st December 2018

	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	A Communications and Partnership Strategy to Support the creation of Awareness for ICT Sector Laws and Policies and increase adoption of Various Information Technology Initiatives in the Sector developed.	546,425,306	33,886,349	200.00	53.00	2.60	Strategy drafted.
	Undertake Corporate Communication strategies and activities	546,425,306	33,886,349	15.00	13.00	2.60	Participated in several events.
	Undertake to publish NITA-U infrastructure programmes and initiatives in the Newspaper for wide distribution	546,425,306	33,886,349	5.00	10.00	2.60	Articles published in newspapers.
	Carry out (15) sensitization and awareness about cyber laws	167,599,701	15,042,063	36.00	31.00	0.80	31 sensitisation engagements conducted.

	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Twenty (20) Compliance assessments carried out on MDAs and other regulated entities to check compliance with IT laws and Standards.	167,599,701	15,042,063	20.00	11.00	0.80	11 compliance assessments carried out.
	Legal support provided in the development of one (1) priority IT legislation	167,599,701	15,042,063	1.00	1.00	0.80	Support provided.
	Five (5) new IT standards developed and forwarded for gazetting to facilitate systematic delivery of priority IT infrastructure and services	83,063,360	8,956,683	5.00	3.00	0.39	
	Carry out two (2) awareness /Training sessions on standards	83,063,360	8,956,683	2.00	3.00	0.39	Sessions conducted.
	Certification process effectively promoted, supervised and audited to ensure that at least 100 new IT service providers are certified	83,063,360	8,956,683	100.00	82.00	0.39	82 companies certified.
	Certification of NITA-U ISO 20000 undertaken	83,063,360	8,956,683	1.00	1.00	0.39	In progress.
	Two (2) NITA-U user demand driven surveys conducted	83,063,360	8,956,683	2.00	0.00	0.00	Surveys conducted.
	NITA-U Statistical Abstract for 2018 developed and disseminated	83,063,360	8,956,683	1.00	1.00	0.39	Completed.
	Timely submission of the NITA-U BFP and MPS FY 2019/20	83,063,360	8,956,683	2.00	1.00	0.39	BFP submitted.
	Monitoring and inspection of two (2) NITA-U projects/initiatives conducted and status reports produced	83,063,360	8,956,683	2.00	2.00	0.39	Reports produced

	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Conduct ICT Training of Civil servants and participate in Capacity building events organized by different stakeholders	83,063,360	8,956,683	4.00	1.00	0.39	Trained and developed materials for Civil Service College.
	A strategy for Institutionalization of the ICT function in government developed.	83,063,360	8,956,683	1.00	0.00	0.00	
	Preparatory activities of the Namanve ICT Hub (land acquisition , surveys and architectural design) completed	1,416,459,718	,650,041,811	2.00	60.00	50.93	Engaged the land lord.
	Salaries, wages and support services provided for NITA-U operations	6,645,000,000	3,323,000,000	1.00	0.50	31.59	Contract staff salaries paid.
	Programme Performance (Outputs)					**95.86**	

Source: NITA-U & IFMS

Challenges

- Staffing at NITA-U is at 50% of the approved structure.
- Delays in receipt of "no objection" from the World Bank on a number of RCIP project components.
- Some of the Government sites connected to the National Backbone Infrastructure were not using the service due to lack of structured cabling, terminal equipment, and computers.
- Low absorption of funds due to delays in procurement.

Recommendations

- The Ministry of Public Service and NITA-U should review the staff ceiling for NITA-U to increase on implementation efficiency by filling more technical positions.
- The NITA-U should regularly engage with the World Bank to ensure that "no objections" are secured in time. The World Bank should be implored to have a country based Task Team Leader (TTL) to speed up the process.
- The NITA-U should urgently execute the change management strategy through engaging the bidding community (services providers) to create awareness of e-GP project prior to commencement.

- The NITA-U should expeditiously implement the IT Shared Platform Project (GovNet) project which will provide an end-to-end solution towards connectivity of all Government sites to increase usage.

9.3 Ministry of ICT and National Guidance (Vote 020)

9.3.1 Background

The Ministry of ICT was created in 2006 to provide strategic and technical leadership and coordination in all matters of ICT. The mandate of the ICT Ministry is ‘‘to provide strategic and technical leadership, overall coordination, support and advocacy on all matters of policy, laws, regulations, and strategy for the sector for sustainable, effective and efficient development, harnessing and utilization of ICT in all spheres of life to enable the country achieve its development goals’’36. The information and national guidance component was transferred to the Ministry of ICT in 2016 to form the Ministry of Information, Communications Technology and National Guidance (MoICT&NG).

The mission is “to promote development and effective utilization of ICTs such that quantifiable impact is achieved throughout the country”. The MoICT&NG has four vote functions namely;

a) Information technology and information management services which is charged with developing enabling policies, laws and regulations as well as promoting, guiding and providing technical support, supervision, monitoring and evaluation to the development and use of IT;

b) Communications and broadcasting infrastructure which is charged with developing enabling polices, laws, regulations as well as quality assurance in infrastructure development for broadcasting and communications service delivery;

c) Policy, planning and support services which is responsible for ensuring that the sector complies with policy development guidelines and financial management standards in accordance with the Public Finance and Management legislations.

d) Information and national guidance.

The Ministry’s key outcomes are:

- ✓ Responsive ICT legal and regulatory environment
- ✓ Increased employment and growth opportunities
- ✓ Shared national vision, national interest, national values and common good
- ✓ Secure ICT access and Usage

Delivery of the outcomes is through three programs namely: Enabling environment for ICT development and regulation; Effective communication and national guidance and general

36MoICT 2016

administration, policy and planning. The semi-annual monitoring FY 2018/19 focused on the development components of the MoICT & NG.

Financial performance

The approved annual budget for the Ministry of ICT and National Guidance for FY 2018/19 is Ug shs 41.796 billion, of which Ug shs 26.372 billion was released and Ug shs 8.0 billion spent by 31st December 2018 as follows; Wage (Ug shs. 2.968 billion); Non-Wage Recurrent (Ug shs. 2.997 billion); GoU Development (Ug shs. 8.166billion) and AIA (Ug shs. 1.041billion).

The release performance was very good, while absorption was poor (30%). An additional Ug shs 11.2 billion was released under arrears (owing to refund from cancelled sale of UBC land) but not spent. The poor expenditure performance was mainly due to low absorption of the development budget owing to delayed finalization of procurement processes.

Physical performance

9.3.2 Enabling environment for ICT development and regulation program

The program is composed of four sub-programmes namely; Information Technology, Information Management Services, Broadcasting Infrastructure, and Posts and Telecommunications.

The approved budget for the programme is Ug shs2.37 billion, of which Ug shs1.16 billion (49%) was released and Ug shs0.97 billion (83%) spent by 31st December 2018. The overall programme performance was 76%. Table 9.6 shows the overall financial and physical performance of the programme by output.

Technical support was provided to implementation of the Academic Information Management System; including support to the Netherlands Trust Fund (NTF4) IV project that promotes IT enabled services and Business Process Outsourcing. The first draft of the E-Commerce Strategy was developed and awaits wider stakeholder consultations. A roadmap for institutionalization of ICT cadres in Government was developed. A paper for Information Technology Enabled Services (ITES)/Business Process Outsourcing (BPO) Communication and Sensitization Strategy was prepared.

Consultations on the Regulatory Impact Assessment of the e-Government interoperability policy undertaken. The directorate participated in Open Source Software workshops organized by the Uganda Open Source Software Association and software clinics organized by the Innovation Hubs.

The implementation action plan for the Draft Media Local Content Policy was developed and the baseline study on development of ICT infrastructure blue print carried out in Western and Northern regions.

Special Postcodes were developed for special interest areas (Parks, Government offices, tourist sites, monuments, land marks, historical sites) in all dstricts of Uganda. The Postal sector was monitored in Eastern and Northern Uganda to determine readiness of Postal and supporting infrastructure for the new Postcode and Addressing System.

9.6: Overall performance of the Enabling Environment for ICT Development and Regulation Programme by 31st December, 2018

Output Performance	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Information Technology	Enabling Policies, Laws and Regulations developed	1,030,000,000	680,000,000	43.00	20.80	34.30	E-Commerce strategy drafted.
	E-government services provided	120,000,000	50,000,000	40.00	11.00	3.60	Services provided.
	BPO industry promoted	20,000,000	10,000,000	100.00	30.00	0.55	BPO paper prepared awaiting consultations.
	Hardware and software development industry promoted	20,000,000	10,000,000	100.00	40.00	0.73	Industry promoted.
	Human Resource Base for IT developed	30,000,000	10,000,000	100.00	20.00	0.82	Capacity developed.
Information Management Services		370,000,000	280,000,000	10.00	4.20	9.33	
Broadcasting Infrastructure	Sub-sector monitored and promoted	140,000,000	70,000,000	2.00	1.00	6.36	Monitoring undertaken.
	Logistical Support to ICT infrastructure	60,000,000	30,000,000	6.00	2.50	2.27	Support provided for ICT infrastructure.
Posts and Telecommunications	Monitor Postal sector	410,000,000	100,000,000	11.00	3.00	18.64	Postal sector monitored.
	Programme Performance (Outputs)					**76.60**	

Source: MoICT&NG

Under the National ICT Initiatives Support Programme (NIISP); three ICT hubs were supported namely: Resilient African Network, Tech Buzz Hub and Hive Collab. 150 innovators were attached to innovation hubs for mentorship. Activities of ICT innovators identified in FY

2017/18 were supported and the NIISP was monitored. The second call for innovators was finalized and approved by the Selection Committee and published in mass media.

9.3.3 Effective Communication and National Guidance Programme

The objective of the programme is to ensure effective communication and national guidance in order to increase citizen's participation in national programmes. The programme consists of four sub-programmes namely: National Guidance, Information, Uganda Media Centre and Support to Information and National Guidance. The overall programme performance was 52%. Table 9.7 shows the performance of the programme.

The approved budget for the programme for FY 2018/19 is Ug shs3.83 billion, of which Ug shs2.07 billion (53%) was released and Ug shs1.17 billion (56%) of released funds spent.

Under this programme, the MoICT & NG held engagement meeting with the media personnel in the Elgon region on the need to emphasize objective and balanced reporting in both the print and electronic media for emergency response in Elgon prone areas. Over 115 queries from the citizens were processed during the period, of which 29 were concluded and 86 were escalated to relevant MDAs.

The ministry provided a channel for feedback and suggestions from citizens and conducted civic education workshops for appointed and elected leaders in promoting good governance in a multiparty system in various districts.

The Uganda Media Centre coordinated 92 media coverage (press conference, press briefs) including provision of online coverage for 15 press briefings.

The Department of National Guidance conducted consultations on the draft "National Guidance Policy.

9.7: Performance of the Effective Communication and National Guidance Programme by 31st December, 2018

Sub-program	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Information	Dissemination of public information	540,000,000	190,000,000	100.00	10.00	4.74	Information disseminated.
National Guidance	National Guidance	690,000,000	170,000,000	100.00	10.00	8.64	Draft NG policy initiated.
Uganda Media Center	Media and communication support provided	410,000,000	210,000,000	100.00	50.00	12.35	Press briefings conducted.

	Transfers to other Government Units	700,000,000	350,000,000	520.00	350.00	21.60	Contract staff salaries and wages and media centre activities conducted.
Support to Information and National Guidance Project	Purchase of motor vehicle and other transport equipment	480,000,000	480,000,000	2.00	0.00	0.00	Procurement pending.
	Purchase of office and ICT equipment including software	100,000,000	100,000,000	100.00	0.00	0.00	Procurement pending.
	Purchase of office and residential and office furniture	320,000,000	320,000,000	100.00	50.00	4.94	Assorted furniture procured.
	Programme Performance (Outputs)					**52.28**	**Fair performance**

Source: MoICT

9.3.4 General Administration, Policy and Planning Programme

The overall objective of the programme is to provide policy guidance, strategic direction and to generate sector statistics to inform planning and policy review.

The approved budget for FY 2018/19 is Ug shs24.4 billion, of which Ug shs 11.9 billion (49%) was released and Ug shs 5.86 billion (49%) spent. The overall programme performance was 43.7%. An additional Ug shs 11.2 billion was released as part of the arrears for refund related to UBC land in Bugolobi. Table 9.8 shows the performance of the programme.

Table 9.8: General Administration, Policy and Planning Programme Performance by 31st December, 2018

	Output	**Annual Budget (Ugshs)**	**Cum. Receipt (Ugshs)**	**Annual Target**	**Cum. Achieved Quantity**	**Physical performance Score (%)**	**Remark**
Headquarters (Finance and Administration)	Policy, consultation, planning and monitoring services	270,000,000	140,000,000	100.00	50.00	0.77	Social media and e-commerce policies drafted.

	Ministry Support Services (Finance and Administration)	3,020,000,000	1,580,000,000	100.00	50.00	8.58	Rent paid.
	Ministerial and Top Management Services	230,000,000	110,000,000	100.00	50.00	0.68	Top management meetings were held.
	Procurement and Disposal Services	90,000,000	40,000,000	100.00	40.00	0.24	PDU services managed.
	Financial Management Services	270,000,000	140,000,000	13.00	5.00	0.60	Services provided.
	ICT Initiatives Support	5,050,000,000	1,950,000,000	100.00	2.00	0.78	ICT hubs supported.
	Human Resource Management Services	4,880,000,000	1,950,000,000	100.00	30.00	8.39	Staff salaries, and welfare managed.
	Records Management Services	30,000,000	2,530,000,000	100.00	40.00	0.05	Records managed.
	Innovators and Innovation Hubs	2,750,000,000	1,380,000,000	105.00	74.30	8.17	Applications received awaiting review and award.
Project: 0990 Strengthening Ministry of ICT	Government Buildings and Administrative Infrastructure	5,200,000,000	3,210,000,000	100.00	70.00	15.45	Construction estimated at 70% at Nakawa ICT hub.
	Purchase of Motor Vehicles and Other Transport Equipment	550,000,000	240,000,000	3.00	0.00	0.00	Under procurement.
	Purchase of Office and ICT Equipment, including Software	110,000,000	110,000,000	100.00	0.00	0.00	Activity at procurement stage.
	Arrears (Refund related to UBC land)	11,200,000,000	11,200,000,000	100.00	0.00	0.00	Funds received but not paid.
	Programme Performance (Outputs)					**43.72**	**Poor performance**

Source: IFMS &MoICT

The departments prepared and submitted the Budget Framework Paper for the vote to the MFPED, and prepared relevant financial accounts reports and submitted to relevant authorities.

Three project proposals were prepared and submitted to the Development Committee at MFPED for consideration.

Apart from acquisition of assorted furniture, procurement of vehicles, office and ICT equipment was still ongoing.

Under the line item for government buildings and administrative infrastructure, the Construction of the National ICT Innovators Hub at Uganda Institute of Communications Technology (UICT) in Nakawa which was awarded to the Uganda Peoples Defence Forces (UPDF) Engineering Brigade progressed as follows:

By February 2019, the estimated overall physical progress was70% against a time progress of 100%. The main block was roofed and final finishes were ongoing including ceiling installation, internal shutters, and electrical works. Some of the external works such as levelling and planting of grass on embankments had been completed. Pending works include installation of doors and windows, installation of electrical devices, laying of ICT Local Area Network and installation of devices, painting and paving the parking area.

The project, was seven months behind schedule. This status was due to increased scope of earth works, variation in designs, challenges in clearance of imported steel materials, and delays in clearance of certificates leading to low absorption of funds.

  

L-R: Progress on construction of the ICT Innovations Hub at Nakawa in February and July 2018; and February 2019

 

Ongoing internal works and grass planted on a side embankment at the ICT hub in Nakawa

Challenge

- Poor planning leading to delays in procuring service providers.
- Low absorption of funds.

Recommendation

The MoICT&NG should initiate procurements in time to avoid implementation delays.

9.4 Overall ICT Sector Performance

The overall sector performance was fair estimated at 63%. The recurrent sub-programmes performed better than the development sub-programmes as a number of the outputs under development were still at procurement stage by half year. Table 9.9 shows the summary performance by programmes across the sector.

Table 9.9: Physical Performance of the ICT Sector by 31st December, 2018

Programme	Score	Rating
Electronic Public Services Delivery (e-Transformation) Programme	57.37	Fair
Shared IT infrastructure Programme	51.6	Fair
Streamlined IT governance and capacity development Programme	95.8	Very Good
Enabling environment for ICT development and regulation Programme	76.6	Good
Effective Communication and National Guidance Programme	52.28	Fair
General Administration, Policy and Planning Programme	43.7	Poor
Overall Sector Performance	**63**	**Fair**

Source: Author's Compilation

CHAPTER 10: INDUSTRIALISATION

10.1 Introduction

The industrialization sub-sector aims to promote sustainable industrialization, appropriate technology transfer and development[37]. It is a sub-component of the tourism, trade and industry sector. It consist of four (4) votes, that is: Vote 015 Ministry of Trade, Industry and Cooperatives (MoTIC); Vote 154 Uganda National Bureau of Standards (UNBS), Vote 513 Uganda Investment Authority (UIA) and partly Vote 008, Ministry of Finance, Planning and Economic Development (MFPED).

10.1.1 Sector Objectives

The industrialisation sub-sector objectives are;

- Promote the development of value added industries in agriculture and minerals
- Increase the stock of new manufacturing jobs.
- Enhance the use of Standards and quality infrastructure in industry.
- Promote green industry and climate smart industrial initiatives.

10.1.2 Scope

This chapter reviews progress of selected programmes and projects implemented by the MoTIC, UNBS, UIA, and MFPED by 31st December 2018 as shown in Annex 10.1.

Limitation

- Some financial information was not aligned to outputs which might have affected overall weighted scores and performance.

10.1.3 Overall Sub-Sector Performance

The overall performance of the sub-sector was good at 75.9% with recurrent sub-programmes and outputs performing better than development sub-programmes expect for USADF and UNBS. The USADF and Standards Development, Promotion and Enforcement (UNBS) Programmess performed better than Investment Promotion and Facilitation under UIA, and Industrial and Technological Development under MoTIC and UDC.

The UNBS and USADF physical and financial performance was good (development and recurrent sub-programmes). The projects demonstrated efficiency in resource utilization contrary to RIDP which presented deficiency in value for money.

The UDC and UIA exhibited good performance on the recurrent outputs however; progress on the development outputs was poor. None of the industrial parks were serviced as planned, similarly the UDC projects were behind schedule and in some instances activities haphazardly executed. Table 10.1 shows the overall performance by programme.

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[37] National Development Plan (NDP II) 2015/16-2019/20. Page 175

Table 10.1: Industrialization Sub-Sector Performance by 31st December 2018

Programme	Score (%)
Development Policy and Investment Promotion (USADF)	86.4
Industrial and Technological Development (RIDP and UDC)	68.9
Standards Development, Promotion and Enforcement Program (UNBS)	87.1
General Administration and Support Services, and Investment Promotion and Facilitation.	61.2
Average performance	**75.9**

Source: Author's Compilation

Financial performance

During FY 2018/19, the industrialization sub-sector budget was Ug shs135.990 billion of which, Ug shs 88.171 billion (64.8%) was released and Ug shs 86.168 billion (97.7%) was spent by 31st December 2018. The release and expenditure were very good as shown in Table 10.2.

Table 10.2: Overall Financial Performance of the Industrialization Sub-Sector by 31st December 2018

Institution	Budget	Release	Expenditure	% Release	% Spent
UNBS	47,841,000,000	26,818,000,000	24,688,000,000	56.1	92.1
RIDP	488,076,000	149,671,000	149,671,000	30.7	100.0
UDC	70,421,758,000	52,165,878,153	52,515,273,067	74.1	100.0
USADF	5,745,343,008	2,530,486,157	2,396,019,418	44.0	94.7
UIA	11,494,000,000	6,507,000,000	6,420,000,000	56.6	98.7
TOTAL	**135,990,177,008**	**88,171,035,310**	**86,168,963,485**	**64.8**	**97.7**

Source: IFMS, MDAs

Vote Performance

10.2 Ministry of Finance, Planning and Economic Development

The Ministry of Finance, Planning and Economic Development's mission is "To formulate sound economic policies, maximize revenue collection, and ensure efficient allocation and accountability of public resources so as to ensure sustainable economic growth and development" (MFPED, 2015). The ministry is mandated to; formulate policies that enhance economic stability and development; mobilize local and external financial resources for public expenditure; regulate financial management, and ensure efficiency in public expenditure; oversee national planning and strategic development initiatives for economic growth.

The semi-annual monitoring (FY2018/19) focused on the United States African Development Foundation (USADF) sub-programme under development policy and investment promotion program.

Development Policy and Investment Promotion Programme

10.2.1 United States African Development Foundation (USADF)

Background

In November 2006, a Memorandum of Understanding (MoU) for strategic partnership between the USADF and the Government of Uganda was established. The MoU was initially for five years but was subsequently renewed in April 2012 for another 5 years. The USADF and GoU each make equal contributions (matching grants) of US$ 1,000,000 per annum towards targeted farmer groups and Small and Medium Enterprises (SMEs). The funds are transferred by USADF through grants made to individual selected projects/groups, which are developed and approved in accordance with USADF criteria and methodologies taking into consideration their alignment to the goals and objectives of the MoU.

Overall project objectives

- To promote the development of farmer cooperatives, producer associations, smallholder agricultural producers, small scale agri-business (SSAs) and SMEs in Uganda and increase their market competitiveness, with a particular focus on the development of underserved and marginalized community groups and enterprises.
- To increase the participation of small scale agricultural groups and SMEs in investment relationships with US and other trading partners.

To qualify for selection, an organization must be 100% African owned, managed, and legally registered. Due diligence and technical backstopping is provided by a local partner: the Uganda Development Trust (UDET).

Support under this project is provided through two grants that is Enterprise Development Investment (EDI) and Enterprise Expansion Investment (EEI). The EDI grant is meant to strengthen the managerial, technical and financial capacities of the beneficiaries. This grant does not exceed UD$100,000 per beneficiary organization over a period of two years.

The EEI grant is intended to enhance the business development of the beneficiaries to boost competitiveness. The grant does not exceed US$ 250,000 per beneficiary. One of the eligibility criterion for the EEI grant is successful implementation of the EDI grant. The project/ beneficiary organization should be self-sustaining at the end of the grant.

In FY 2018/19, the USADF project planned to construct storage facilities, provide agro-processing equipment and facilities, and working capital, technical assistance, and administrative support to selected beneficiary groups countrywide.

Performance of the USADF Sub-Programme

The approved budget for USADF for FY2018/19 is Ug shs5,745,343,008 of which Ug shs2,530,486,157 (44%) was released and Ug shs2,396,019,418 (94.7%) spent by 31st December 2018. Release and expenditure performance by half year were good and very good respectively.

Out of the nine beneficiary groups selected by USADF for support in FY2018/19, the semi-annual monitoring focused on seven[38] that had started implementation. By 31st December 2018, implementation by the different beneficiary groups was at varying levels.

Kweyo Growers' Cooperative Society in Omoro District: In 2017, an enterprise expansion grant (US$ 250,000) was awarded to the group to establish a peanut processing facility and procure equipment among others. Performance of the grant averaged at 80% with a number of outputs achieved. The peanut processing equipment was installed on 7th November 2018 and test runs conducted. The cooperative was producing creamy and crunchy peanut products and marketing them in Gulu and Kampala. Members are given premium prices for raw products.

By January 2019, the cooperative was in advanced stages of obtaining a UNBS Q-mark and recruiting a marketing officer. The crop finance funds had grown from Ug shs 22 million at the end of FY 2017/18 to Ug shs 36 million. The pending activities included training of farmers and

L-R: Completed peanut factory, installed equipment and some of the products made by Kweyo Growers' Cooperative in Omoro District funded under USADF

procurement of improved groundnut seeds.

In Bududa District, Mt Elgon Coffee Farmers' Cooperative obtained a capacity building grant worth US$ 100,000 in June 2018. The grant was to improve production and processing of Arabica Coffee. Using this grant, the cooperative recruited staff, procured two motorcycles, received training in financial and stores management, cooperative governance, development of manuals, and; monitoring and evaluation. It procured office supplies and equipment such as furniture, computers, money safe and filing cabinets which are pending delivery. Implementation was therefore in the early stages.

[38]Zirobwe Agaliawamu Agri-business Traininng Association in Luwero, Kabeywa United Coffee Farmers Cooperative Society Ltd in Kapchorwa, Manafwa Basin Rice Farmers Cooperative Society Ltd in Butaleja, Elgon Cooperative Union Ltd in Bududa, Mount Rwenzori Coffee Farmers Cooperative Union in Kasese, Abatahunga Coffee Farmers Cooperative Union in Kiruhura, and Kweyo Growers Cooperative in Omoro District

Manafwa Basin Rice Growers' Cooperative is located in Butaleja District in Eastern Uganda. The organisation received an enterprise expansion grant (US$250,000) in June 2018 to cater for rice milling equipment, transport equipment, storage facility, crop finance, product certification and training among others. By January 2019, the cooperative had procured a 100kva transformer, a motorcycle, and received two trainings in financial management, monitoring and evaluation, good agronomic practices and systems upgrade. The milling equipment, storage facility and product certification were expected to be implemented in 2019. The remaining trainings were awaiting completion of rehabilitation of Doho II Irrigation Scheme and construction of the factory.

Installed 100 kva transformer in Butaleja District

Abatahunga Coffee Farmers' Cooperative is located in Kiruhura district and deals in coffee trade and processing. It received a capacity building grant worth US$ 100, 000 in June 2018 for crop finance, purchase of equipment, capacity building, and administrative support. By January 2019, training in financial management, monitoring and evaluation and two desktop computers had been delivered. The cooperative also received funds under crop finance to purchase 16 tonnes of coffee. The land for construction of a processing plant had been demarcated awaiting grading and the safe-box, filing cabinet and motorcycle were pending delivery.

10MT truck acquired by Mt. Rwenzori Coffee Cooperative

Mt Rwenzori Coffee Farmers' Corporative Union is located in Kasese district. It received an enterprise development grant for construction of a processing facility, a warehouse, purchase of a coffee hurler, truck, post-harvest handling equipment, office equipment and conduct trainings in Financial Management, and M&E. The 10 Metric Tonne (MT) truck was procured. Release of funds for construction of a warehouse, processing facility and purchase of coffee hauler were pending a lease letter for a 3 acre piece of land from Uganda Investment Authority (UIA) in the Kasese Industrial and Business Park. Trainings in coffee quality, marketing, stores management and obtaining a fair trade re-certificate were pending.

Zirobwe Agaliawamu Agri-business Institute is located in Zirobwe Town Council, Luweero District. It is composed of 4,620 farmers organized in 161 groups spread in four districts of Luweero, Nakaseke, Nakasongola and Mukono. The organization deals in five main crops namely: maize, rice, soya bean, beans and coffee. In April 2018, the group received an enterprise expansion grant of US$250,000 for value addition to rice and maize enterprises. By January 2019, the group had received capacity building in M&E and financial management. The input store was stocked. A rice mill (complete line from destoning, hulling, polishing and grading), 2 maize shellers, a 10(MT) truck and two motorcycles, two weighing scales (Digital and analogue) were also delivered and in use.

The pending activities included product certification, completion of housing for the maize mill, and a multi-purpose grain cleaner. The organisation is able to process 10 Metric tonnes of rice per day compared to 2 metric tonnes before the intervention. Overall execution of the grant was estimated at 70% against a time progress of 35%.

Installed rice mill and stocked input shop in Zirobwe, funded by USADF grant

Kabeywa Coffee Farmers' Cooperatives Society was registered in 2016 with a total of 646 members. It was selected for an enterprise expansion grant from USADF after successfully implementing an enterprise development grant in 2017. The scope of the grant covers construction of a 500MT store, procurement of wet coffee hurling equipment, crop finance, 10MT truck and support for organic coffee certification. By January 2019, the civil works for the office block and a 500 metric ton store in Bulambuli were at foundation level.

The motorcycle and a 10 metric ton truck were delivered. The pending activities included procurement and delivery of the hauling machine for wet coffee processing, office equipment, organic certification and capacity building.

 

Substructure under construction in Bulambuli and some of the stocked coffee at Kabeywa Cooperative in Kapchorwa District

Table 10.3: Performance of United States African Development Fund by 31st December, 2018

Subprogram/ project	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
United States African Development Foundation (USADF)	Infrastructure	820,382,868	286,902,700	5	1.5	12.25	Kweyo had completed and occupied its infrastructure. Kabeywa was at foundation level, while other beneficiaries were at different levels of either procurement or construction.
	Equipment	2,676,514,693	1,436,933,018	21	10	41.32	Kweyo procured all the equipment and ZAABTA was yet to receive the maize mill. For Abatahunga, the equipment were purchased but yet to be delivered. For Mt. Rwenzori, the office equipment, motorcycle and truck were delivered. The coffee hauling machines were awaiting construction of the structure.
	Working capital	913,305,000	518,549,550	8	4.3	15.05	All the monitored beneficiary groups had received some working capital except Mt. Elgon. Kabeywa and ZAABTA had exhausted their budgets on this item.

	Training	110,943,000	47,149,626	19	11	1.93	All the beneficiary groups had carried out at least two training (financial management and monitoring and evaluation). Other trainings were dependent on complementary activities.
	Technical assistance	356,102,351	27,130,000	16	0.25	1.27	Two (Kweyo and Mt. Elgon) out of the seven monitored entities had expended on technical assistance. This was mainly in product certification and financial systems upgrade).
	Administrative support	868,095,096	213,821,263	21	5	14.61	All the groups were able to recruit staff, pay salaries and maintain office equipment
	Programme Performance (Outputs)					**86.43**	**Performance was good**

Source: Beneficiary progress reports, and field findings

Challenges

- Delayed handover of land from UIA has affected the timely implementation of construction activities by Mt. Rwenzori Coffee Farmers' Corporative Union.
- The uncertain and prolonged dry weather period affected crop production and slowed down the construction of the office block and warehouse for Kabeywa Coffee Farmers Cooperative in Kapchorwa.
- The United States of America Government shut down of December 2018-January 2019 led to delayed disbursement of funds for some of the beneficiaries.

Conclusion

The project registered good performance at 86.43%. Specifically, all the beneficiary groups were doing well on the component of administrative support and training. This is because; all the groups had received at least two trainings. Procurement of equipment was at various levels for the different groups. Thus, the project exhibited effectiveness in resource utilization and is on course of achieving its objectives.

Recommendations

- The UIA should speed up the processing of the lease for the 3 acre piece of land in the Kasese Industrial Park to enable construction to commence.
- The USADF should disburse funds in a timely manner to the beneficiaries who are prepared to start implementation.

10.2.2 The Uganda Investment Authority (UIA)

The Uganda Investment Authority was established by an Act of Parliament (Investment Code 1991) with the aim of promoting and facilitating private sector investment in Uganda. To achieve this, the UIA was tasked to develop 22 Industrial parks across the country by the year 2020. Over the years, UIA has acquired land for nine industrial and business parks in Luzira, Bweyogerere, Mbarara, Moroto, Kasese, Soroti, Mbale, Jinja and Namanve. The master plans for all parks were made and attempts to design and build infrastructure (roads, water, electricity) in the parks made.

Beginning FY2018/19, the UIA obtained a vote status with one sub-programme 1412; General Administration and Support Services and one project 0994: Development of Industrial Parks. The monitoring focused on Development of Industrial Parks.

Performance of the Investment Promotion and Facilitation

The revised budget for the UIA FY2018/19 including a supplementary of Ug shs 510 million (for compensation of squatters in Mbale) was Ug shs11.494 billion, of which Ug shs 6.507billion (56.6%) was released and Ug shs 6.420billion (98%) expended by 31st December 2018. Both release and expenditure performances were good. Most of the expenditures were on recurrent activities.

Development of Industrial Parks

The semi-annual monitoring focused on Development Policy and Investment Promotion Programme with specific attention to Development of Industrial Parks project.

During FY 2018/19, the budget for Development of Industrial Parks was reduced owing to wage and non-wage demands at UIA. The activities related to maintenance and opening of roads in all parks did not take off due to inadequate allocation.

Table 10.3: Performance of the Development Policy and Investment Promotion Programme under UIA by 31st December, 2018

Sub-program/ project	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Investment Promotion	Investment Promotion Services	120,000,000	70,000,000	30038	7029	0.42	A total of 19 inward and six outward missions were facilitated. Three investment conferences were organized. 200 copies of Bankable Projects were procured and distributed to potential investors.
Investment	Investment			1297	560	0.77	128 projects were licensed,

Sub-program/ project	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Facilitation	Facilitation Services	120,000,000	70,000,000				237 facilitation related activities, and 82 projects were provided with aftercare services.
	Development and Servicing of Industrial Parks	670,000,000	430,000,000	3.00	0.5	1.51	
One Stop Centre	Supervision of the One Stop Centre Agencies	460,000,000	290,000,000	4	2	3.17	The One Stop Centre was supervised, 1 additional voice circuit purchased, redundant power bank (8 KVA), and additional storage server.
Small and Medium Size Enterprises	SME Facilitation Services	550,000,000	350,000,000	3018	3046	4.78	A total of 760 entrepreneurs were trained, 650 SMEs sensitized, 544 exhibitors participated in the various exhibitions in Uganda, and 5 DICs meetings were held in Wakiso District.
Administration and Support Services	Office of the Executive Director	230,000,000	150,000,000	121	60.25	1.53	A contract was signed with Lagan Group (UK) for the proposed infrastructural development of Kampala Industrial and business Park.
	Finance and Administration	8,840,000,000	4,620,000,000	6	2	49.03	Salaries, utilities and rent were paid, while performance reports were prepared and submitted.
Development of Industrial Parks	Acquisition of Land by Government and Finance and administration	510,000,000	510,000,000	73	17	1.03	A total of 15 out of the 61 affected persons in the Mbale Industrial and Business park were compensated. Extension of water and electricity to at least 60% of the KBIP was not done subject to availability of funds.
	Program Performance (Outputs)					**61.21**	**Fair Performance**

Source: IFMS, Progress reports, and field findings

Roads in the industrial parks located in Soroti, and Kasese were neither opened nor serviced. In Bweyogerere IBP, a number of roads were turning from fair to poor state due to heavy traffic. The few kilometers of all-weather roads in parks were developing potholes.

L-R: Unmaintained road in South A Estate of KIBP-Namanve & Soroti IBP

Jinja Industrial and Business Park: The evaluation of a consultant for the feasibility study of Jinja Industrial and Business Park was finalized with support from Trademark East Africa. Kiira Motors Corporation owning over 80% of the park land had started site clearance for the establishment of a car assembly plant and office buildings.

Mbale Industrial and Business Park: During FY 2018/19, an additional Ug shs 510 million was provided for compensation of the remaining squatters. The activity was ongoing with 15 of the 61 claimants paid. However, the resources were not adequate to cover all the claimants. Further still, some of the claimants had disputed the valuation prices from the Chief Government Valuer.

Kampala Industrial and Business Park: The UIA initiated procurement for the Engineering, Procurement, and Construction (EPC) for the infrastructure development of Kampala Industrial and Business Park –Namanve. By December 2018, a commercial contract was signed with M/s Lagan from the United Kingdom to undertake the works under a Public Private Partnership arrangement.

Six factories within Namanve Industrial Park were commissioned. These are: Orion Transformers, Interior Technologies, Alfasan Uganda, Steel and Tube Industries, Luuka Plastics and Toyota Uganda. Thirty-seven (37) industries were in operation within the park directly employing 15,000 Ugandans. A total of 99 projects had commenced construction, creating an additional 17,000 indirect/short term/contract/technical jobs during this period, while 140 companies were still in the pre-start stages (surveying, processing deed plans and titles, environmental impact assessment certificates, architectural designs, geotechnical and hydrological studies).

Investment promotion; A total of 128 projects were licensed, round table conferences and after care services were provided to 82 investors. A total of 19 inward and six outward missions were facilitated.

The UIA organized two investment conferences in collaboration with partners such as Uganda-China symposium, operation wealth creation and UG-CHINA economic and trade cooperation forum.

Challenge

- Inadequate allocation and funding for the development of industrial parks that affected the servicing of the parks with the required utilities and compensation of squatters.

Conclusion

The performance of Investment Promotion and Facilitation Programme was rated as fair (61.21%). Most of the re-current sub-programmes were implemented, while the development component performed poorly. This is attributed to the fact that the biggest percentage of the budget (82%) was allocated to recurrent activities. Serviced industrial parks are a key incentive to attracting investors however; the continued underfunding of the project has hindered attraction and occupation by potential investors. The GoU and UIA should therefore consider provisioning adequate resources for servicing the parks in order to realize the intended objectives.

Recommendations

- The UIA should prioritize the development budget to enable the servicing of industrial parks and fully compensate the squatters in Mbale.
- The board should seek for alternative sources of funding for servicing industrial parks.

10.3 Ministry of Trade, Industry and Cooperatives

The Ministry's mandate is: *"to formulate, review and support policies, strategies, plans and programs that promote and ensure expansion and diversification of trade, cooperatives, environmentally sustainable industrialization, appropriate technology transfer, to generate wealth for poverty eradication and benefit the country socially and economically"* (MoTIC, 2014).

The Ministry of Trade, Industry and Cooperatives (MoTIC) supervises five agencies namely: Uganda Development Corporation (UDC), Uganda National Bureau of Standards (UNBS), Uganda Export Promotions Board (UEPB), Management Training and Advisory Centre (MTAC), and Uganda Warehouse Receipting System Authority (UWRSA).

The approved budget for the MoTIC for FY2018/19 is Ug shs 112.366billion, of which Ug shs 84.754billion (75.4%) was released and Ug shs 79.790billion (94.1%) spent by 31st December 2018. Good release performance was exhibited by UDC, while the Rural Industrial Development Project (RIDP) had poor release performance. Overall release and expenditure performances were good.

Industrial and technological development Programme

The overall objective of the programme is to ensure policy formulation, planning and coordination; and promoting the expansion, diversification and competitiveness of the industrial sector. The programme outcome is industrial facilitation, promotion and cluster competitiveness. This contributes to the sector outcome of a strong industrial base and increased employment in the manufacturing sector. Under the program, the semi-annual monitoring FY 2018/19 focused on the RIDP project and implementations under Uganda Development Corporation (UDC).

10.3.1 The Rural Industrial Development Project

The Rural Industrial Development Project (RIDP) formally, One Village One Product (OVOP) started in FY 2017/18 aiming at promoting value addition to agricultural products at different levels of the commodity value chain that include drying, storage, preservation, packaging and processing. This is to be achieved through promotion of production and industrial processing clusters that includes operators of the storage facilities, suppliers of raw materials for processing, value addition enterprises, manufacturers and distributors of value addition equipment and providers of business development services.

Performance of the RIDP

The approved budget for the RIDP, FY2018/19 was Ug shs 488,076,000, of which Ug shs 149, 671,000 (30.7%) was released and all expended by 31st December 2018. Although releases were poor, expenditure was good.

The RIDP was in the process of procuring and supplying equipment to eight (8) selected enterprises. Three enterprises whose equipment procurement was concluded in FY2017/18 received the supplies in the first quarter and were in use. They included MBK Enterprises in Kaliro (A manual hydraulic bending machine), Kijjukizo Carpentry hub in Butambala (a wood drilling and mortise machine), and Nakirebe Farmer's Cooperatives in Mpigi District (a feed mill transferred from another group in Mpigi). Construction of the Kiln for heat treating clay products for Zigoti Clays in Mityana District, was ongoing at a rather slow progress much as all the funds were reportedly transferred to the contractor.

A manual bending machine for MBK Enterprises-Kaliro and a seemingly abandoned site at Zigoti-Mityana

Feed mill delivered to Nakirebe Cooperative

By January 2019, an automated vacuum chamber sealing machine for Lusaze Modern Agriculture Solution Cooperative Society and a manual honey press and settling tank for Tropical Honey Cooperative Society in Amuru District had not been delivered.

Activities relating to commissioning of completed facilities, and physical assessment of selected new beneficiary groups in Ntoroko, Mitooma, Mbarara, Kiruhura, Butambala, Gomba, Mpigi, Namutumba, Butebo, Iganga, Sironko, Lira, Kitgum, and Otuke districts were deferred to Q3.

It was observed that implementation was behind schedule and a number of beneficiaries raised concern on the quality of the supplies. Some equipment had defects like the motor for the wood drilling and mortise machine in Butambala District had to be replaced, while the feed mill in Nakirebe had broken down. Some of the equipment supplied such as the metal bending machine, and a Kiln for heat treating clay products were not in tandem with the project objective of promoting value addition to agricultural products. To this extent, the project does not exhibit value for money.

Challenges

- Unstable and intermittent power which destroys some parts of the equipment (Kijjukizo Carpentry hub in Butambala), and lack of training on how to operate the equipment which makes it difficult to execute the tasks (MBK Enterprises in Kaliro).
- Transport constraints: The project lack a vehicle to ease transportation of some equipment to the beneficiaries and carryout assessment, monitoring and evaluation of project beneficiaries and activities. The funds invested in hired transport can support a few more groups in a year.
- Inadequate funding: This has constrained the project's ability to implement most of the planned activities and achieve the objectives.

Recommendations

- The Uganda Electricity Distribution Company Limited and Uganda Transmission Company Limited should ensure quality and stable supply of electricity in the country. This will reduce on losses incurred during power surges.

- The RIDP through the MoTIC should budget for a vehicle to ease mobility of equipment and staff while implementing project activities. This will reduce expenditure on hiring vehicles for delivery of equipment, monitoring and assessment.
- The MoTIC and MFPED should prioritize and adequately fund the project if it is to achieve the intended outcomes.

10.3.2 Uganda Development Corporation

The Uganda Development Corporation (UDC) was re-established under the Uganda Development Corporation Act, 2016 as the investment and development arm of the GoU. Its primary objective is to promote and facilitate industrial and economic development in Uganda. This is to be met through: i) establishment of subsidiary and associated companies, ii) enter into Public Private Partnerships (PPPs) with other enterprises, and iii) promoting and facilitating research into industrial development.

Performance of the UDC

The approved budget for UDC FY 2018/19 was Ug shs 70.421billion. It was noted that UDC had finances brought forward from FY2017/18 amounting to Ug shs 13.3 billion. By 31st December 2018, the total release and balance brought forward was Ug shs 65.49 billion, of which Ug shs 52.5 billion was spent. Release and expenditure were good.

The overall physical progress for UDC's was however fair, as number of outputs were not achieved. The programmes and sub-programmes under UDC varied in levels of progress.

Acquisition of shares in Atiak Sugar Factory: The Government of Uganda acquired all allocated shares from Horyal Investments (co-owners of Atiak Sugar Factory) after paying an additional Ug shs 25 billion. The total GoU shareholding is currently at 32% with a total investment of Ug shs 64.8 billion.

Construction and installation of equipment at the Soroti Fruit Factory: The Soroti Fruit Factory (SOFTE) is a proposed Government intervention aimed at supporting value addition in fruit processing for the promotion of industrial growth, income diversification and increasing household incomes in the Teso region. In 2012, the Government of Korea through its development arm; the Korean International Cooperation Agency (KOICA) provided a turnkey project worth US$ 7.4 million for the construction of Soroti Fruit Factory with the GoU responsible for provision of complementary services and works.

Construction and installation of equipment at the fruit factory was completed in FY 2017/18. During FY 2018/19, the identified snags were addressed except the primary waste treatment lagoon and buffer tanks that were lacking level sensors and side sight glass tubes for quantity observation. The floor in the production area was upgraded to food grade polyurethane standard.

Recruitment of staff, training of farmers, office partitioning, establishment of a management structure, purchase of pouches, two fork lifters, and borehole drilling were completed. Training of staff was awaiting the arrival of the Korean experts.

The factory was scheduled to undertake test runs prior to official commissioning. However, it was observed that construction of the secondary effluent waste disposal, an obligation by GoU under the UIA was still pending, and not in the work plans of either agencies in FY2018/19.

L-R: Installed equipment, two folk lifters and a drilled borehole at Soroti Fruit Factory

The solid waste treatment plant in Gweri sub-county (approximately 10km from the factory) was fenced but not developed and the road to the site was not opened. The manuals for the factory equipment and spare parts were not supplied while the circuit breakers installed were not compatible and not of the same load as the motors they are connected to.

Execution of this project is over two years behind schedule. The project is characterised by poor absorption of funds, poor communication between UDC and KOICA, governance and skills gaps in project management, and lack of a critical path in project execution.

Establishment of Zonal Agro-processing facilities: Under this project, the **Kigezi Highland Tea factories** in Kabale and Kisoro were commissioned. The factory in Kisoro was not operational due to insufficient and very poor quality green leaf, while the Kabale Tea Factory operates at least three days a week.

Procurement of the 40,000kg **processing equipment for Kayonza Tea Factory** in Kanungu District was ongoing and the equipment was expected to be delivered with effect from April 2019. The civil works for the structure to house the production line was estimated at 30% physical progress (substructure completed), and was scheduled to be completed in May 2019.

Support to Mabale Tea Factory: The UDC was assessing the viability of the third line, and draw an investment plan and path for Mabale Tea Factory.

Zombo Tea Factory: An inception report for the proposed Nebbi/Zombo Tea Factory was prepared. The UDC under took farmer training in good agronomic practices in Zombo and supported the formation and registration of Zombo Tea Farmers' Cooperative, while the planted acreage increased from 200 acres in 2017 to 700 acres by December 2018.

Completed substructure and administration block awaiting roofing at Kayonza Tea Factory

Establishment of a cement, lime and marble factory in Karamoja: Land for setting up a factory (250 acres) was acquired in Nadunget sub-county. The UDC under Savana Mines (Special Purpose Vehicle) acquired a new exploration license to carry out geological and geo-technical surveys.

Lake Katwe Chemical Industries: The UDC was in the process of revamping the Lake Katwe Salt project into a chemical plant to produce sodium chloride, pharmaceuticals, leather tanning and textiles. A land title for 3 plots on which the old plant and staff quarters are built was secured, while the titles for the plots with encumbrances were not secured. A prospecting license for Lake Katwe Chemical Industries was secured from the Directorate of Geological Surveys and Mines to aid the mapping of raw material deposit area.

Other planned projects were still in the early stages of either exploration, development or implementation. For example, the acquisition of a prospecting and exploration license for S**heet Glass in Masaka** from the Directorate of Geological Survey and Mines under a special purpose vehicle (Lake Victoria Glass Works) was in progress.

Luweero Fruit Factory: The draft terms of reference for the development of a master plan and geo-technical survey for the factory were developed. Table 10.5 shows the performance of the programme by 31st December 2018.

Table 10.5: Performance of the Industrial and Technological Development Programme by 31st December, 2018

Subprog rams/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieve d Quantity	Physical performan ce Score (%)	Remark
Soroti Fruit	Working capital for factory provided.	4,482,787,000	2,000,000,000	11	2.5	2.75	Conducted 4 farmer training in Kumi, Bukedea, Ngora and

Subprograms/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Factory	(wages, utilities, raw materials, cleaning services provided and mobilization of fruit farmers).						Sororti on good agronomic practices. A contract with Teso Fruit Farmers' Cooperative Union (TEFCU) as suppliers of fruit to the factory was concluded and forwarded to the Solicitor General for approval and obtained a suitability occupation permit from Soroti Local Government.
	Commitments for FY2017/18. Supply and install of voice and data networks, internet, fence off diesel tank, borehole drilling, raw materials, recruitment of staff and packaging materials.	369,958,628	369,958,628	8	4	0.22	Some of the pending activities from FY2017/18 were completed such as supply and installation of voice and data networks, internet, office partitioning, recruitment of staff, procurement of 2 fork lifts, establishment of governance structure, upgrade of the factory floor to polyurethane, and procuring factory consumables.
Tea Project	Procure, install and commission CTC tea processing machinery and equipment for Kayonza Tea Factory	3,000,000,000	2,300,000,000	3	0.3	0.79	Civil works were at 30%, while the equipment was expected by April 2019.
	Procure, install and commission CTC tea processing machinery and equipment for Mabale Tea	2,900,000,000	-	3	0	0	Activity not implemented due to funding and unconcluded studies on viability.

Subprograms/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Factory						
	Project administrative expenses	100,000,000	100,000,000	1	0.7	0.08	Salaries and other administrative expenses were paid.
	Commitments from FY2017/18	4,326,675,142	4,326,675,142	3	1	1.74	Activities were ongoing.
Kiira Motors Corporation	Activities carried forward from FY2017/18	1,783,874,275	1,783,874,275	11	0.1	0.02	These are resources that UDC is supposed to transfer to KMC upon conclusion of the necessary stock transfer documentation.
Sheet Glass Project	Feasibility and exploration study	261,780,325	261,780,325	1	0	0.00	The UDC is pursuing the acquisition of a prospecting and exploration license from the Department of Geological Survey and Mines under a special purpose vehicle (Lake Victoria Sheet Glass Company).
Feasibility studies on potential investments undertaken	Agriculture	500,000,000	200,000,000	1	0	0.00	The contracts were yet to be signed as the board was yet to decide on which investment to fund pending development of an investment policy.
	minerals	500,000,000	200,000,000	1	0	0.00	
	Pharmaceutical	500,000,000	50,000,000	1	0	0.00	
	Others	500,000,000	50,000,000	1	0	0.00	
Zombo/Nebbi Tea Project	Procure 5 acres of land to house the factory, Undertake EIA, geotechnical studies and develop a master plan, Engineering designs developed and	4,000,000,000	100,000,000	7	0.1	2.75	The expenditure in FY 2018/19 was mostly on training farmers and stakeholder engagements. An inception report for the business plan was prepared, submitted and reviewed.

Subprograms/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	service the land with water and electricity, Design and build the factory, Supply, install and commission the CTC tea factory and stakeholder engagement						
	Conduct due diligence, procure consultant for feasibility and business plan studies, staff capacity building, M&E and training (Commitments for FY 2017/18)	594,206,500	594,206,500	4	0.5	0.09	Conducted trainings of farmers. Covering a total of 1,224 prospective farmers.
Capitalisation (Commitments from FY2017/18)	Procure packaging materials (Pouches) for the ready to drink juice.	1,534,000,000	1,534,000,000	100	0	0.00	The first batch of the pouches was delivered.
	Upgrade the existing concrete floor to polyurethane treated floor in the factory production area	490,000,000	490,000,000	1	1	0.59	The concrete floor was upgraded to polyurethane standard recommended for a food processing industry.
	Procure two fork lifts	320,000,000	320,000,000	2	2	0.39	Two fork lifts were delivered but they lacked registration number plates.
	Set up governance structure of SOFTE	2,000,000	2,000,000	1	0	0.00	The SOFTE governance structure was set up and inaugurated on

Subprograms/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							September 20, 2018.
	Insure the fruit factory and personnel	185,200,000	185,200,000	1	0	0.00	
	Procure diesel for the factory	144,800,000	144,800,000	100	0	0.00	Not undertaken.
	Submersible pump for the borehole	119,502,700	119,502,700	1	0	0.00	Not procured.
	Procure a 60,000 litres cold pressed water reservoir tank for the borehole water inclusive of the pile work	107,153,300	107,153,300	1	0	0.00	Activity is pending.
	Construct a sick bay for the factory personnel	10,000,000	10,000,000	1	0	0.00	Not done.
	Microsoft server software and licenses	20,950,000	20,950,000	1	1	0.03	Procured.
	procurement of additives	230,000,000	230,000,000	100	100	0.28	Procured.
	carry out hydrological survey and drilling of borehole	36,394,000	36,394,000	1	0	0.5	Borehole drilled and yielding 16 cubic meters.
	Procure 60 tons of white industrial sugar	210,000,000	210,000,000	60	0	0.00	Not procured
	Lab reagents and lab items	50,000,000	50,000,000	100	100	0.06	Procured
	Procure and install a firewall that can handle up to 50 users including 1 year's	12,000,000	12,000,000	1	1	0.01	The activity was ongoing.

Subprograms/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	subscription one for SOFTE						
	Undertake feasibility studies on potential projects	50,000,000	50,000,000	6	2	0.02	The activity was in the early stages pending a board decision on which project to fund.
	Development of the Cement plant-exploration	767,511,339	767,511,339	1	0.5	0.46	A new piece of land was identified in Nanduget sub-county, acquired a new exploration license and working in conjunction with Savannah Mines Company.
	Undertake due diligence, project appraisal project valuation on potential investments	418,060,835	418,060,835	6	2	0.17	The activity is ongoing.
	Administrative expenses (BOD allowances, rent, vehicle maintenance and medical	1,232,758,004	1,232,758,004	1	0.1	0.15	Allowances, rent and vehicle maintenance done.
Luwero Fruit factory	Undertake geotechnical survey, develop master plan, undertake ESIA study, develop technical designs and BOQs for utilities and access roads, service project site with water and electricity, construct access roads, design and build fruit	1,760,018,000	100,000,000	9	1.4	2.12	Draft terms of reference for the development of a master plan and geo-technical survey. The Environmental and Social Impact Assessment (ESIA) study was developed and was to be executed in Q3.

Subprograms/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	factory, conduct monitoring and evaluation, and administration costs						
Moroto cement factory	Undertake geological technical survey of the leased mining area, Undertake geotechnical survey, Undertake ESIA, develop technical designs and BOQs for utilities and access roads, service the project site with water and electricity, Design and build the perimeter wall and cement plant, and carry out field visits and stakeholder consultation on the project	4,000,000,000	934,916,903	10	1	2.06	A new piece of land was indentified in Nanduget sub-county, acquired a new exploration license and working in conjunction with Savannah Mines Company.
Lake Katwe salt project	Carry out prospecting activities, Undertake Environmental impact assessment, Design and fence off the factory site and staff quarters, Renovate the staff quarters	2,000,000,000	700,000,000	6	1	1.15	The UDC acquired the land titles for 3 plots on which the old plant and staff quarters are built. The titles for the plots with encumbrances was not secured. Expenditure was on monitoring and evaluation component and administrative costs.

Subprograms/ projects	Out put	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	and salt factory, and Monitoring and evaluation of the project and administration costs.						
Horyal Investments	Acquisition of shares	45,000,000,000	45,000,000,000	1	1	54.17	The GoU acquired all the shares with an additional Ug shs 25 billion.
	Administrative costs on balance brought forward from FY2017/18	60,843,231	60,843,231	100	1.7	0.00	
Rural Industrial Development project	Capacity Building for *Jua Kali* and Private Sector	15,472,000	-	160	0	0.00	No funds were released for this activity
	Promotion of Value Addition and Cluster Development	170,236,000	170,236,000	31	13	0.09	Three monitoring visits to beneficiary enterprises in Central, Western and Karamoja Region were conducted while most of the monitoring and beneficiary assessment activities were differed to Q3.
	Facilitating establishment of value addition Facilities	302,368,000	108,872,750	18	5	0.28	Three out of eight enterprises were supported with value addition equipment.
		83,068,549,279	**65,351,693,932**			**68.90**	**Fair performance**

Source: Authors compilation, field findings, RIDP progress reports, and UDC progress report

Challenges

- Lack of secondary waste disposal facilities at Soroti Fruit Factory was likely to affect operationalization of the factory.

- Intermittent and expensive power to run the factories has led to loss of equipment and increased the cost of production.
- Inadequate operational budgets which do not match with the development project funding; this has deterred the corporation from recruiting staff to implement project activities. The UDC has one engineer to oversee/supervise all projects.
- Unreliable market for agricultural inputs such as fertilizers has affected the quality of green leaf for Kisoro tea factory.
- Management gaps at UDC: the agency has not filled the vacant positions including that of the chief executive officer since it was created.

Conclusion

The programme performance was fair (68.9%). Most of the planned activities under the UDC sub-programmes were in their preliminary stages of implementation. It was observed that the recurrent outputs performed better than the development outputs. Apart from GoU’s acquisition of shares from Horyal Investments, the rest of the sub-programmes registered poor to fair physical and financial performance as exhibited by low funds absorption. The UDC should fast-track implementation of planned outputs to avoid spillovers into subsequent FYs and efficiently achieve the programme objectives.

Recommendations

- The Government Agencies should strengthen linkages and build synergies in project implementation and execution. For example, the UDC, UIA and NWSC should prioritize the establishment of a waste disposal facility at Soroti Industrial and Business Park to avoid delays in operationalization of the fruit factory and industrial parks.
- The power distribution and transmission companies (UMEME and UETCL) should improve the quality of power to avoid loss of sensitive equipment to industrialists.
- The MFPED should adequately fund the UDC to enable it deliver on its mandate of driving the industrialization of Uganda.
- The government through the Minsitry of Agriculture, Animal Industry and Fisheries (MAAIF) and UNBS should ensure the quality of agricultural input to reduce the losses resulting from counterfeits that affect the volumes of raw materials.

10.4 Quality Assurance and Standards Development Programme

10.4.1 Uganda National Bureau of Standards

Established by the UNBS Act Cap 327, The Uganda National Bureau of Standards (UNBS) is a statutory body under the Ministry of Trade, Industry and Co-operatives. The UNBS is mandated with formulation and promotion of the use of standards; Enforcing standards in protection of public health and safety and the environment against dangerous and sub-standard products; Ensuring fairness in trade and precision in industry through reliable measurement systems; and Strengthening the Economy of Uganda by assuring the quality of locally manufactured products to enhance the competitiveness of exports in regional and international markets.

The UNBS acquired 6.9 hectares of land in Bweyogerere Industrial Park for the construction of its office block, laboratories and other support facilities which was to be done in phases. Phase 1 (1A, 1B & 1C-construction of UNBS Headquarters) was successfully completed by end of FY 2015/16. Phase 2 covering construction of UNBS quality laboratories (food safety and testing laboratories) started in FY 2016/17 and implementation is ongoing.

The approved budget for UNBS FY2018/19 is Ug shs47.841billion, of which Ug shs 26.818 billion (56.1%) was released and Ug shs 24.688(92.1%) billion spent by 31st December 2018. Both release and expenditure were very good.

Performance of the Strengthening UNBS Programme

Programme performance was good at 87.1 % with UNBS posting good performance on both the development and recurrent components. In 2017, M/s Ambitious Construction Limited was awarded the contract for the construction of the laboratory block (microbiology, petroleum and chemistry) for a period of 18 months at a contract sum of Ug shs 17 billion. M/s Jowada Consult is the supervising consultant at a sum of Ug shs 700 million. The civil works for the construction of the laboratory blocks including reception, analysis, and storage rooms were at 55% by 31st December 2018. The ongoing works included electrical installation, floor works, and final finishes. The re-development of the calibration rig commenced and physical progress was estimated at 28%.


Completed superstructures for the Laboratory block and reception block at UNBS headquarters in Bweyogerere

The UNBS opened up an SME desk to ensure quality of products for the small and medium manufacturers (cottage industries). The agency opened and furnished three regional offices in Mbale, Gulu and Mbarara with office furniture, filing cabinets, office desks, chairs and computers. They procured two station wagons, two double cabin pickup trucks and three motorcycles to facilitate the operations.

Under Quality Assurance, 60,342 import consignments were inspected, 1,948 market outlets were inspected, 8,184 product samples were tested, and 509 certification permits were issued. A total of 186 standards were developed, pending approval by National Standards Council. A total of 1,715 and 513,930 equipments were calibrated and verified respectively. Table 10.6 shows the performance by 31st December 2018.

Table 10.6: UNBS Performance by 31st December, 2018

Subprogram/project	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Support to UNBS	Government Buildings and Administrative Infrastructure	5,470,000,000	4,020,000,000	100	55	19.04	Construction of laboratories was ongoing was at 55% completion. Redevelopment of the Rig commenced and was at 28% completion.
	Purchase of Motor Vehicles and Other Transport Equipment	1,400,000,000	1,400,000,000	8	7	5.7	3 station wagons and 2 filed vehicles and 2 motor cycles were procured.
	Purchase of Office and ICT Equipment, including Software	1,000,000,000	0	75	0	0.00	Procurement was ongoing and to be completed in Q3.
	Purchase of Specialized Machinery & Equipment	1,500,000,000	1,500,000,000	16	16	6.98	Procurement of laboratory equipment and assorted items was ongoing.
	Purchase of Office and Residential Furniture and Fittings	209,748,400	209,748,400	6	6	0.98	Procurement of assorted furniture and fittings was ongoing.
Headquarters	Administration	9,880,000,000	5,060,000,000	100	50	44.86	Statistical Abstract, Final accounts, BFP, Budget, Performance Report, and Annual Report were published. Payrolls, salaries were processed.
	Development of Standards	330,000,000	90,000,000	400	186	1.53	A total of 204 standards were developed awaiting approval by National Standards Council.
	Quality Assurance of goods & Lab Testing	1,180,000,000	450,000,000	159,000	70,983	5.49	The variation in import consignments inspected was due to inadequate staffing levels while variation in samples

Subprogram/project	Output	Annual Budget (Ugshs)	Cum. Receipt (Ugshs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							tested was due to increase in distinctive mark applicants and increased surveillance samples.
	Calibration and verification of equipment	200,000,000	90,000,000	803,000	515,645	0.93	A total of 1,715 equipment were calibrated, while 513,930 equipment were verified.
	Stakeholder engagements to create awareness on Quality & Standards	30,000,000	20,000,000	100	50	0.10	Participated in radio and TV talk shows. Drafted press releases, made publications in print and electronic media, and held media briefings.
	Membership to International Organisations (ISO, ARSO, OIML, SADCMET)	300,000,000	50,000,000	4	3	1.40	Subscriptions to international organizations were executed.
Programme Performance (Outputs)						**87.1**	**Good performance**

Source: IFMS, Progress reports, and field findings

Challenges

- Inadequate staff in the technical departments. The market surveillance, imports inspection, verification of weights and measures, laboratories, calibration and certification departments are understaffed. This has hindered the implementation of UNBS' mandate of standards enforcement.
- Inadequate ICT infrastructure support to enable automation of all the UNBS core processes and services to make them simple, faster and transparent so that they can effectively support improved service delivery to the various stakeholders.

Recommendations

- Given the increased MTEF for wage to Ug shs 10 billion, the UNBS should recruit additional staff in the technical departments to implement the mandate of standards enforcement.
- The UNBS should work with NITA-U and priorities the procurement of ICT infrastructure to enable automation of all core processes and services.

10.5 Gender and Equity Compliance

It was observed that most of the beneficiaries under this sub-sector were from the central and western regions. Most of the groups/cooperatives had fewer women (averagely 30%) compared to the men except for Kweyo Growers Cooperative whose membership was 306 female out of a 432 members. The cooperative boards had a fair male to female representation of 5:4. It was observed that the sub-sector pays limited attention to gender and equity requirements inspite of securing the certificate at budgeting stage.

10.6 Overall Sector Performance

The industrialisation sub-sector performance by half year was good (75.9%). The USADF and Standards Development, Promotion and Enforcement (UNBS) programmes performed better than Investment Promotion and Facilitation under UIA, and Industrial and Technological development under MoTIC and UDC.

The UNBS and USADF physical and financial performance was good (development and recurrent sub programmes). The projects demonstrated efficiency in resource utilization contrary to RIDP which presented deficiency in value for money.

The UDC and UIA exhibited good performance on the recurrent outputs however; progress on the development outputs was poor. For example, none of the industrial parks were serviced as planned, similarly the UDC projects were behind schedule and in some instances activities haphazardly executed. Overall the recurrent outputs across all the programs performed better than the development.

CHAPTER 11: PUBLIC SECTOR MANAGEMENT

11.1 Introduction

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.

11.1.1 PSM 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).

11.1.3 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 11.1.

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 Public Sector Management programmes.

- Limited access to quality and reliable administrative data and limited coverage on the usability of gender statistics which would ensure recruitments, training, promotions and other performance enhancement decisions.

11.1.4 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 11.1.

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 11.1: PSM Semi-Annual Performance as at 31st 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
TOTAL	**844**	**282.8**	**247.8**	**34**	**88**

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 31st December, 2018 is shown in Table 11.2.

Table 11.2: Overall Performance of the PSM at Vote level as at 31st 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
	Average performance	**48**

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.

11.2 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 31st December 2018. This was good release and absorption. The overall programme performance at output level is shown in Table 11.3.

Table 11.3: Performance of Strategic Coordination, Monitoring and Evaluation as at 31st December 2018

Project-Sub programme	Out put	Annual Budget (Ug shs) 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.
Programme Performance (Outputs)		**1.452**				**36.36**	**Poor performance**

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

1. 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.

2. The MFPED should review the Government Evaluation Facility project under OPM which is more of recurrent in nature than development.

11.2.2 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 11.4.

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 31st December 2018. This was poor release and good funds absorption.

Table 11.4: Detailed Performance of Affirmative Action Programme as at 31st December 2018

Project-Sub programme	Out put	Annual Budget (Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks

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 Infrastructure	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 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 Loroo 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-Sub programme	Out put	Annual Budget (Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks
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
	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	0.150	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
	Machinery & Equipment						
Project:0932 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 Infrastructure	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 shs 174million to Alebtong, Ug shs 284 million to Katakwi and Ug shs 320million to Kumi DLGs for the construction of staff houses.

Project-Sub programme	Out put	Annual Budget (Ug shs billion)	Cumulative receipts	Annual planned target	Cum. Achieved Quantity	Physical performance %	Remarks
							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.
	77 Purchase of	0.150	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
	Specialized Machinery & Equipment						
Programme Performance Outputs		61				37.5	Poor performance

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 31st 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 11.5 shows a summary of funds utilized as at 31st December 2018.

Table 11.5: Summary of Fund Utilization as at 31st December 2018

	Summary of the Work plan	5 Yr Budget (US$)	Allocation (US$)	Utilization (US$)	Balance (US$)
1	Enhancing Productivity of Livestock and Dryland Faming	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	3,460,000	1,003,036	1,226,998.66	(223,962.66)

	areas				
5	Support to Community Business Development	1,710,000	524,350	493,653.57	30,696.43
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
	Grand Total	**24,900,000**	**8,720,003.00**	**7,953,228.19**	**766,774.81**

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 31st 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 31st 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 11.6 shows details of 4 completed and 2 ongoing projects monitored.

Table 11.6: Contractual Status of Completed and Ongoing projects as at 31st 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 1st July 2015 to 31st 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 31st 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 Nakapiripit District and Karita Primary School since FY 2014/15 in Amudat District were monitored. By 31st 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 31st 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.

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

- 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[39] 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 31st December 2018. This was good release and fair absorption.

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

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[39] Butambala, Lwengo, Mukono, Wakiso, Kayunga, Kasese, Luwero and Kabarole, Kyenjojo, Kyegegwa, Mubende, Mityana and Nakaseke

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 frm 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 31st 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 11.8.

Table 11.8: Distribution of Heifers in Districts as at 31st December, 2018

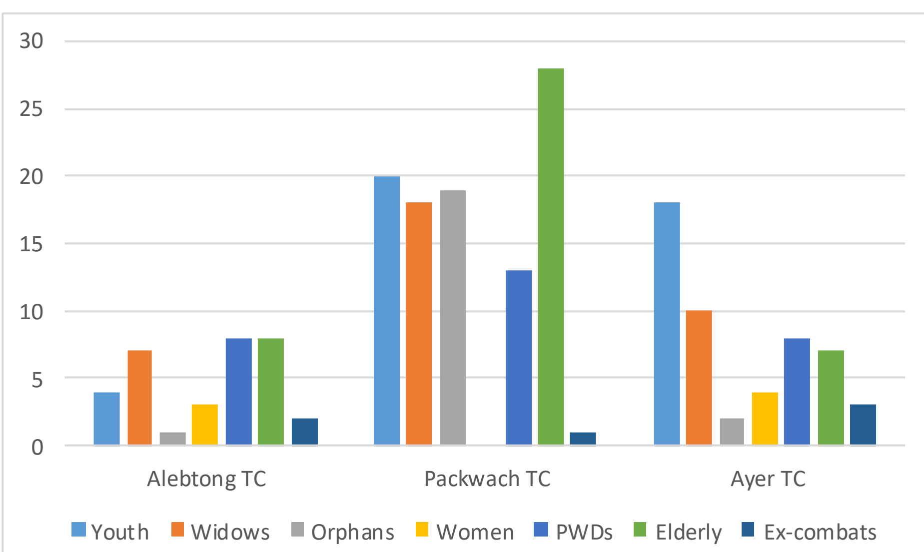
Kole		Alebtong		Packwach	
Sub-county	**No.**	**Sub-county**	**No.**	**Sub-county**	**No.**
Ayer Town Council	52	Alebtong Town Council	33	Packwach Town Council	80
Alito	91	Amugu	44	Pakwach	40
Okwerodwot	104	Aloi	66	Panyimu	50
Ayer	78	Omoro	66	Alwi	40
Akalo	52	Awei	44	Panyango	70
Bala	104	Akura	55	Wadelai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

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 11.1.

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 11.1: Gender and Equity Aspect in the Distribution of Heifers in Town Councils as at 31st 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 perofmance 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.

11.2.3: 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 31st December 2018. This was very good release and absorption. Table 11.8 shows the detailed programme performance as at 31st December 2018.

Table 11.8: Performance of the Disaster Preparedness and Refugees Management Programme as at 31st 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.
Programme Performance (Outputs)		**6.418**	**4.428**			**50.25**	**Fair performance**

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 11.9 shows the distribution of relief food and non-food items.

Table 11.9: Distribution of Food and Non-Food Items by Region by 31st 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
Total	**7,320**	**1,673**	**10,488**	**57**

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 17th 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

Housing units at wall plate constructed by UPDF 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 Janaury 2019.

11.3 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.

11.3.1 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 which Ug shs 0.545 billion (51%) was released and Ug shs 0.299 billion (55%) spent by 31st December 2018, which was good release and absorption. Detailed programme performance is shown in Table 11.10.

Table 11.10: Performance of Inspection and Quality Assurance as at 31st 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 aso 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**

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.

11.3.2 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 31st December 2018 which was good release and absorption. Detailed programme performance is shown in table 11.11.

Table 11.11: Performance of Management Services Programme as at 31st 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 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/constituents in MDAs and LGs	0.355	0.131	66	32	7.853	Job categories for the 30 out of 60 cadres in the Public Service were profiled; Scheme of service for 2 out of 6 cadres were developed and issued.
Programme Performance (Outputs)		**2.192**	**1.203**			**26.10**	**Poor performance**

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.

11.3.3 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 31st December 2018 which was good release and fair absorption. Detailed programme performance is shown in table 11.12.

Table 11.12: Performance of Human Resource Management and Policy Programme as at 31st 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	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

Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
	Reform						monitored and support provided to 92 Votes in 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 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
Programme Performance (Outputs)		**3.254**	**1.686**			**57.58**	**Fair performance**

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.

11.3.4 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 31st December 2018, which was very good release but poor absorption. Detailed programme performance is shown in table 11.13.

Table 11.13: Performance of Policy Planning and Support Services Programme as at 31st 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	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

	Infrastructure						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.
Programme Performance (Outputs)		**6.088**	**3.910**			**47.35**	**Poor performance**

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 14th January 2019 regarding prompt processing of pension and gratuity files, however there were still delays.

  In Nakapiripirit DLG, much as MFPED released the funds, h 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.

11.4 Vote 011: Ministry of Local Government

The mandate of the Minsitry 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.

11.4.1 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 31st 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 11.14.

Table 11.14: Performance of the Local Government Administration and Development Programme as at 31st 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.
	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

Project-Sub programme	Output	Annual Budget (Ug shs)	Cumulative receipts	Annual target	Cum. Achieved Quantity	% Physical Performance	Remarks
							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.
	Total	**16.440**	**5.005**			**48.7**	**Poor performance**

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 11.15 shows the disbursements from July 2018 to June 31st December 2018. The absorption capacity was at 44%.

Table 11.15: ADB Loan Statement of comparative annual budget and actual amount from July 2018 to June 31st 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
Total	**98,030,872,000**	**43,444,289,670**	**44**	

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 31st 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 31st December 2018.

Table 11.16 shows the detailed contract sum of contractors, amount paid by ADB time as at 31st December 2018.

Table 11.16: Contract details for the 10 Markets as at 31st 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 Costruction 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	6230,303,441	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
TOTAL			**194,771,655,784**	**59,041,899,051**	**153,551,839,345**	**30**

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

Construction of markets commenced in April 2018 for a period of 24 months. Apart from Lopederu 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 Lopederu market; and casting of columns, beams, slabs and ramps was ongoing for the Masaka market.

Ongoing construction works: Raising columns to roofing level at Lopederu 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

vi) 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 05th August 2015 and ends 31st 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 11.17 shows the financial performance for the PRELNOR project as at 31st December 2018.

Table 11.17: Financial Performance in Ug shs as at 31st 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
Total	15,455,668,106	8,250,545,724	7,205,122,382

Source: PRELNOR progress report 31st December 2018

By 31st 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 31st 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 11.18.

Table 11.18: Progress of PRELNOR activities as at 31st December 2018

Planned Activities	Achieved	Remarks
Component A: Rural Livelihoods		
1. Priority climate resilient crop production systems		
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.
Component B- Market Linkages and Infrastructure		
2. **Improved Market access Processes**		
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.

Source: PRELNOR Progress Report - 31st 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 Facilitors 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 (31st 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.

vii) 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 11.19 shows the status of payments as at 31st December 2018.

Table 11.19: BADEA payments against certificates as at 31st 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
TOTAL			**21,646,990,956**	**18,717,507,430**	**2,834,907,855**	**86**
Amount in US$						
1	ARAB Contractors Limited	Busega market- Kampala Capital City Authority	3,457,940	3,358,389	99,551	97.12
TOTAL			**3,457,940**	**3,358,389**	**99,551**	**97**

Source: MoLG Coordination Office October- December, 2018

Busega market: Physical progress averaged at 82% by 31st 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.

11.4.2: 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 31st 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 11.20 shows the detailed performance as at 31st December, 2018.

Table 11.20: Performance of General Administration, Policy, Planning and Support Services as at 31st 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 Highways	2.100	0.700	2	1.5	4	Funds were used to support construction of roads and to bridge two swamps to support service delivery in Kabale (Rubaya sub-coutnty) 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.
Programme Performance (Outputs)		**39**	**13**			**49.2**	**Poor performance**

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 form 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.

11.5 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

11.5.1: 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 31st December 2018. This was a good release and absorption. Table 11.21 shows the detailed performance of LGMSD as at 31st December 2018.

Table 11.21: Performance of Economic Policy Monitoring, Evaluation and Inspection as at 31st 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;

Project-Sub programme	Output	Annual Budget (Ug shs) billions	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
							and 2 projector screens for the Directorate of Revenue Collection.
Programme Performance (Outputs)		**1.548**	**1.122**			**41.54**	**Poor performance**

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.

11.6 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.

11.6.1: 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 31st December 2018. This was a good release and poor absorption. Table 11. 22 shows the detailed performance under MEACA as at 31st December 2018.

Table 11.22: Performance of Regional Integration Programme as at 31st 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 directives Monitored and Evaluated	0.056	0.028	3	1.8	4.886	Funds were spent on workshops and seminars and travel inland. 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.
Programme Performance (Outputs)	**0.694**	**0.375**			**51.75**	**Fair performance**

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 11.23 shows the detailed performance of the Administration, Policy and Planning under MEACA as at 31st December 2018.

Table 11.23: Performance of Administration, Policy and Planning as at 31st 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 Motor Vehicles and Other Transport Equipment	0.400	0.361	1	0	0	Procurement process 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.
Programme Performance (Outputs)		**0.551**	**0.502**			**52.50**	**Fair performance**

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 31st 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 11.24 shows the overall programme performance as at 31st December 2018.

Table 11.24: Performance of Development Planning by 31st 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).
Programme Performance (Outputs)		**2.985**	**1.492**			**46.67**	**Poor performance**

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 11.25 shows the overall programme performance as at 31st December 2018.

Table 11.25: Performance of Development Performance by 31st 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)
Programme Performance (Outputs)		**9.126**	**4.944**			**50**	**Fair performance**

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.

11.7.3: 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 11.26 shows the performance as at 31st December 2018.

Table 3.26: Performance of National Planning Authority by 31st 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 Authority	72 Government Buildings and Administrative Infrastructure	0.500	0.429	1	0.4	2.778	Funds worth Ug shs 87 million were spent on additional 4 offices under construction.
	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.
Programme Performance (Outputs)		**7.202**	**4.087**			**48.23**	**Poor performance**

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.

11.8: 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 31st December 2018 is presented in table 11.27.

Table 11.27: Performance of Public Service Selection and Recruitment as at 31st 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

Project-Sub programme	Output	Annual Budget (Ug shs) billion	Cumulative receipts	Annual target	Cum. Achieved Quantity	% physical performance	Remarks
							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 Residential Furniture and Fittings	0.090	0.020	1	0.5	1.995	Funds were committed to procurement of furniture & fixtures.
Programme Performance (Outputs)		**2.256**	**1.335**			**50.3**	**Fair performance**

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.

11.9 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.

11.9.1: 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 31st December 2018. This was a good release and absorption. Table 11.28 shows the overall programme performance.

Table 11.28: Performance of Coordination of Local Government Financing by 31st 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 Locaaal Economic Development (LED) on the performance of local revenues in LGs was carried out.
02 Revenues for Local Governments	03 Enhancement of LG Revenue Mobilisation and Generation	0.693	0.327	3	1.2	5.674	5 out of 12 urban 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.
Programme Performance (Outputs)		**4.733**	**2.642**			**52.54**	**Fair performance**

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 12: ROADS

12.1 Introduction

“Roads’’ is one of the three sub-sectors[40] under the Works and Transport sector whose mandate is to: (i) plan, develop, and maintain an economic, efficient, and effective transport infrastructure and transport services by road, rail, water and air; (ii) manage public works including government structures; and (iii) promote standards in the construction industry.

The sub-sector mission is to promote adequate safe and well maintained works and transport infrastructure services for social economic development of Uganda[41].

The road sub-sector has four votes namely; Vote 016: Ministry of Works and Transport (MoWT), Vote 113: Uganda National Roads Authority (UNRA), Vote 118: Uganda Road Fund (URF) and Vote 500: Local Governments (LGs).

The key implementing institutions in the roads sub-sector are: MoWT; Uganda National Roads Authority (UNRA); Uganda Road Fund (URF); Kampala Capital City Authority (KCCA), District Local Governments (DLGs), lower local governments (sub-counties) and urban councils. Other institutions outside the works and transport sector that have projects with roads sub-components include: the Office of the Prime Minister (OPM) and the Ministry of Local Government (MoLG).

12.1.1 Sub-sector Objectives and Priorities

The roads subsector objectives are[42]: (i) develop an adequate, reliable and efficient multi modal transport network in the country; (ii) improve the human resource and institutional capacity of the Transport sector to efficiently executes the planned interventions; (iii) improve the national construction industry; and (iv) increase the safety of transport services.

In line with the NDP II strategic objectives, the sector budget priorities for the FY 2018/19 for the roads sub-sector are43.: Continue with the on-going national road development programme of upgarding 400km of gravel national roads to bitumens standard, rehabilitate 200km of paved national roads, construct 5 brdiges, acquire 1,755 hectares of land for road and bridge construction, have 14 road development projects designed and ready for financing and implementation, add 3 ferries to the national road network; Undertake routine maintenance of entire national road network and periodic maintenance of 12,626km; reduce overloaded vehichles by 1% (4% to 3%); improving the capacity of Local Governments to implement Force Account; and Developing the capacity of Local Construction Industry.

Other sector priorities for other sub-sectors included: Development of the Standard Gauge Railway line; Provision of Ferry services; Improvement of Railway Transport Infrastructure and Services; Improvement of Inland Water Transport Infrastructure and Services; Establishment of

[40] The three sub-sectors under the Ministry of Works and Transport are: 1. Transport Services; 2. Roads; and 3. Construction Standards and Quality Assurance

[41] Ministerial Policy Statement for Ministry of Works and Transport for FY 2017/18

[42] The three sub-sectors under the Ministry of Works and Transport are: 1. Transport Services; 2. Roads; and 3. Construction Standards and Quality Assurance

[43] Ministerial Policy Statement for Ministry of Works and Transport for FY 2017/18

the Maritime Administration department; Expansion and upgrading of Entebbe International Airport; Development of a new airport at Kabaale in Hoima district; Revival of the National Airline; and Rehabilitation of Upcountry Aerodromes.

12.1.2 Scope

The projects/programmes monitored for the annual performance during the FY 2017/18 were selected on the basis of regional representation, level of capital investment, planned annual outputs, and amount of releases during the first half of the FY. Three (3) development projects were monitored under MoWT, 8 road projects under the National Roads Construction/Rehabilitation Programme under UNRA (7 upgrading and 1 rehabilitation) and two (2) programmes under URF. Under the URF the District Urban and Community Access roads (27 Local Governments – 21 Districts and 6 Municipalities) and National Roads Maintenance at UNRA stations (8 stations) programmes were monitored. These programmes/projects that were monitored are as shown in Annex 12.1.

12.1.3 Limitations

- Lack of ready Q2 reports for sampled programmes/projects during monitoring.
- Absence of some respondents at the time of monitoring yet appointments had been made.
- Inconsistence of information provided by respondents.

12.1.4 Overall Sector Performance

Overal Financial Performance

The total budget for the Works and Transport Sector in FY 2018/19 including arrears is Ug shs 4,793.829 billion, out of which Ug shs 712.870 billion (14.87%) is for recurrent expenditure and Ug shs 4,079.857 billion (85.11%)for development expenditure. Of this amount, the Government of Uganda is to contribute Ug shs 2,078.12 billion (50.9%) while Development Partners will contribute Ug shs 2,001.737 billion (49.1%).

The breakdown of the budget for the FY 2018/19 by Vote (excluding arrears) is: Vote 016 - MoWT had Ug shs 874.798 billion (18.25%); Vote 113 - UNRA had Ug shs 3,130.414 billion (65.3%); Vote 118 - URF had Ug shs 542.517.413 billion (11.32%); Vote 122 – KCCA has Ug shs 223.26 billion (4.66%); Vote 500 – Local Governments has Ug shs 22.840 billion (0.48%).

Table 12.1 shows the financial performance by the end of December 2018 for the three votes monitored in the semi-annual performance of the roads sub-sector. This was a good release (60%) and very good absorption (87%) performance.

Table 12.1: Overall Financial Performance of the Votes by 30th December 2018

Votes	Vote Names	Approved Budget (Ug shs billion)	Release (Ug shs billion)	Spent (Ug shs billion)	% Budget released	% Budget Spent	% Release Spent
016	MoWT	874.798	455.229	430.248	52.04	49.18	94.51
113	UNRA	3,130.41	1,966.27	1,350.97	62.81	43.16	82.40
118	URF	542.517	290.946	288.74	53.63	53.22	99.20

Total[44]	4,547.73	2,712.44	2,069.96	59.64	45.52	86.60

Source: UNRA, URF and MoWT Q2 Performance Reports for FY 2018/19, IFMS

Sub-Sector Performance

The overall roads sub-sector performance was good at 70% as in Table 12.2. The performance was greatly contributed by the URF which was tagged to: the acquisition of new Japanese road maintenance equipment from MoWT by all the District Local Governments; the improvement in staffing levels and the commencement of framework mechanized contracts for maintenance of roads at the UNRA stations.

Achievement of targets was affected by delays in procurement of road construction materials and service providers in the MoWT and at UNRA stations; the inclement rains in the first half of the financial year which disrupted works progress of on-going projects and caused emergencies on the national and district road networks leading to deviation from planned activities.

Table 12.2: The Overall Sub-Sector Performance by 31st December, 2018

Vote	Vote/Programme	Percentage Score
016	Ministry of Works and Transport	62
113	Uganda National Roads Authority	77
118	Uganda Road Fund	71
Overall sector performance		**70**

Source: Author's Compilation

Detailed Programme/Vote performance

12.2 Ministry of Works and Transport– Vote 016

The MoWT mission is "*to promote adequate, safe and well maintained works and transport infrastructure and services for socio-economic development of Uganda*." [45]

The approved budget for the FY2018/19 increased by 91.1% from Ug shs 461.111 billion in the FY 2017/18 to Ug shs 880.955 billion. By the end of December 2018, Ug shs 461.386 billion (52.4% of budget) was released, of which Ug shs 430.275 billion (93.3% of release) was spent. This was an excellent financial performance. Despite the excellent overall financial performance of the Vote, the Donor development component had the worst performance of 40%. Details of the financial performance are presented in Table 12.3.

The Vote 016 is comprised of six programs namely: Transport Regulation; Transport Services and Infrastructure; Construction Standards and Quality Assurance; District, Urban and Community Access Roads; Mechanical Engineering Services; and Policy, Planning and Support Services.

[44] Figures exclude Ministry of Local Government

[45] Ministerial Policy Statement for Ministry of Works and Transport for FY 2018/19

Table 12.3: Financial Performance of Ministry of Works and Transport by 31st December 2018

		Approved Budget (Ug shs billion)	Release (Ug shs billion)	Spent (Ug shs billion)	% Budget released	% Budget Spent	% Release Spent
Recurrent	Wage	11.866	5.933	4.627	50.0	39.0	78.0
	Non-wage	66.740	34.118	30.185	51.1	45.2	88.5
Development	GoU	370.810	244.805	225.063	66.0	60.7	91.9
	Donor	425.382	170.373	170.373	40.1	40.1	100.0
Total GoU		449.416	284.856	259.875	63.4	57.8	91.2
Total GoU + Ext Fin. (MTEF)		874.798	455.229	430.248	52.0	49.2	94.5
Arrears		6.157	6.157	0.027	100.0	0.4	0.4
Grand Total		**880.955**	**461.386**	**430.275**	**52.4**	**48.8**	**93.3**

Source: MoWT, Q2 Performance Report for FY 2018/19

Semi-annual monitoring for the FY 2018/19 covered three (3) development projects namely: Construction of Selected Bridges, East African Trade and Transport Facilitation Project, and Urban Roads Resealing Project

A) Construction of Selected Bridges

The GoU represented by the MoWT has undertaken the construction of selected bridges in the various parts of the country to solve bottlenecks on the district and community access roads.

The objectives are:

i) Construction of selected bridges and swamp crossings on district and community access roads. Improving connectivity among isolated communities.

ii) Reducing travel times and cost of transportation.

iii) Upgrade and reconstruction of old bridges to improve their load carrying capacities to meet the current gross weight of traffic.

During the FY2018/19, the project has an approved annual budget of Ug shs 14.6 billion, of which Ug shs 12.057 billion (82.6%) was received and Ug shs 8.996 billion (74.6%) expended. The MoWT planned to implement a number of bridges and swamp crossings; and the status of performance on each of the planned output is as shown in Table 12.4.

Table 12.4: Performance of the Selected Bridges Project by 31st December, 2018

Output	Annual Planned Progress	Cum. Progress Achieved	Weighted physical performance, %	Remark
Construction of Bambala Swamp Crossings (Kyankwanzi)	100%	61%	6.855	Project was behind schedule. Installation of Armco culverts.
Construction of Kabindula Swamp Crossings (Kyankwanzi)	100%	47%	18.432	Project behind schedule due to rains.
Construction of Kisaigi Bridge (Kakumiro)	100%	46%	42.969	Project was behind schedule due to rains.
Design and Construction of Sezibwa swamp crossing between Kayunga and Nakasongola	35%	0%	0.000	Bids scheduled to be returned end of February. Contract signing scheduled for April (subject to solicitor's approval).
Design and Construction of Wangobo-Nsonkwe-Namunyumya swamp crossing between Bugiri and Iganga commenced;	38%	12%	6.465	Design completed.
Construction of Muzizi Bridge Abutments completed;	40%	15%	3.331	Project under performing due to poor mobilization.
Construction of Gem farm Bridge completed	100%	45%	12.897	Delays were experienced in procurement and design work.
Construction of 2No. Cable Bridges completed	100%	75%	4.441	One cable bridge at Bubulo was complete, while the one at Tongole was at 50% physical progress.
Construction of 1 metallic ladder bridge completed	100%	0%	0.000	Was scheduled to commence in Quarter three. Procurement was ongoing
Procurement of Aleles bridge (Pallisa District)	100%	0%	0.000	Contract signing scheduled for April 2019 subject to Solicitor General's approval.

Output	Annual Planned Progress	Cum. Progress Achieved	Weighted physical performance, %	Remark
Procurement of Buhindagye bridge Rubirizi/Ibanda District) Completed and works commenced;	100%	0%	0.000	Contract signing scheduled for April 2019 subject to Solicitor General approval.
Design works and 25% Construction of Kangai Bridge (Dokolo District) completed;	10%	35%	10.363	Design Complete. Works being implemented under force account mechanism.
Design works and 25% Construction of Amodo Swamp (Dokolo District) completed;	100%	0%	0.000	Design was ongoing and implementation was scheduled for quarter four using force account.
Commissioning of Kaguta Bridge in Lira District and Okokor Bridge In Kumi District	100%	100%	1.480	Bridges were completed and commissioned.
Overall Performance			**38.98**	**Equivalent to 78% of the semi-annual target. Good performance.**

Source: Projector Coordinator, Author's Compilation

The overall physical performance of the project was good (38.98% of annual targets or 78% of semi-annual) against a financial performance of 74.6%. The financial expenditure was commensurate to the overall physical progress.

The key achievements included construction of two cable bridges in Mt. Elgon area of Eastern Uganda, commissioning of Kaguta bridge in Lira and Bambala Swamp Crossing in Kyankwanzi. Performance of most of the bridges implemented using force account was affected by inadequate number of equipment which resulted into delayed mobilization and delay in procurement of materials. There is therefore need to acquire additional force account equipment to enable mobilization on a number of sites at the same time.

i) Construction of Bambala Swamp Crossing in Kyankwanzi District

The construction works for the project was contracted to M/s. Dynasty Contractors Uganda Ltd for a period of six (6) months between 18th July 2018 to 24th January 2019 at a sum of Ug shs 759,095,036. However, an addendum No.1 amounting to Ug shs 133,738,078 was issued to cater for an increased scope of works. This was as a result of excessive flooding at the site location which revealed that the original design had insufficient hydraulic capacity to handle floods. Additional culvert crossings were incorporated in the design to improve on the flow capacity.

Financial performance was at 28.8% with 1 IPC amounting to Ug shs 218,636,524 certified and paid to the contractor. The physical progress of the project was estimated at 61% against a time lapse of 83%. The project was behind schedule. Key achievements of the project were installation of five cells of 2100mm diameter Armco culverts, concrete slab, aprons, partition walls and headwalls. Placing of gabion boxes, river training, shaping and grading of approach roads were pending.

ii) Construction of Kabindula Swamp Crossing in Kyankwanzi District

The construction works for the project was contracted to M/s. Shataman Contractors Uganda Ltd for a period of nine months between 18th July 2018 to 30th April 2019 at a sum of Ug shs 1,245,084,434. The scope of works involved; installation of 6 lines of 2100mm diameter, 4lines of 1500mm diameter armco culverts, encasing them with concrete and headwalls; construction of gravel approaches approximately 160m, ancillary works and river training.

Financial performance was at 21.14% with 1 IPC amounting to Ug shs 263,207,630 certified and paid to the contractor. The physical progress of the project was estimated at 47% against a time lapse of 83%. The project was behind schedule. Key achievements of the project were Installation of 3 lines of 2100mm armco culverts, concrete works for slab, aprons, partition walls and headwalls at chainage 0+200Km, extension of 7 lines of concrete culverts at 0+185Km and 5 lines at 0+215Km by 3m. Placing of gabion mattresses and boxes, backfilling and compaction, river training, extension of concrete culverts at 0+150mm and shaping and grading of the approach roads were pending.

iii) Construction of Kisaigi Bridge in Kakumiro District

The construction works were contracted to M/s Juco Logistics Co. Ltd for a period of nine (9) months between 18th July 2018 to 30th April 2019 at a sum of Ug shs 2,902,578,290. The scope of works involved; construction of reinforced concrete bridge deck 15m long and 7m carriage width and dual shoulder width 1.5m; installation of Armco culverts and headwalls; construction of gravel approaches approximately 6.0km, ancillary works and river training.

Financial performance was 16.2% amounting to Ug shs 470,096,507. The contractor was also paid a total of Ug shs 580,515,658 as advance. The physical progress was estimated at 46% against a time lapse of 55%. The project was behind schedule. Key achievements were: Mobilization of staff and material, excavation in soft material earthworks, placing of geotextile, steel fixing, and construction of bases which were complete. River training, steel reinforcement fixing and steel formwork for 1m deep abutment height were ongoing.

iv) Construction of two cable bridges in Manafwa District

The construction of the 2No.cable/foot bridges in Manafwa was undertaken under the partnership between MoWT and Bridges to Prosperity (B2P). The project is funded by both MoWT and B2P. The main objective of constructing the footbridges was to support socio-economic development among rural isolated communities living in areas where access is hampered by features like rivers, gorges, and deep valleys. Implementation of the project is by force account using an in-house team composed of staff from B2P and MoWT. Casual workers were hired within the community of the project area.

The annual budget for the project was Ug shs 400,000,000 which was all released and expended. The overall physical progress of the project was estimated at 75% with one of the bridges complete and open to traffic, while the second bridge was estimated at a progress of 50%.

Conclusion

The performance of the Construction of Selected Bridges project was good at 78% by 31st December 2018. The performance was greatly enhanced by the contracted out bridge works which had commenced in the previous FY.

Challenges

- Inadequate facilitation for supervision of project activities with equipment such as GPS for mapping and vehicles.
- Delayed mobilization of equipment by contractors and limited equipment units for force account units.
- Delayed procurement processes for materials to use in the force account works.

Recommendations

- The planning unit of the MoWT should prioritize procurement of projects so that works start as programmed.

Finished cable bridge in Bubulo – Manafwa District

Erection of cables at the Tongole cable bridge site in Manafwa District in progress

Construction of the abutment walls of Kasaigi bridge in Kakumiro District

Bambala bridge: Construction of a five cell of 2.1m diameter ARMCO culvert crossing in Kyankwanzi District

B) East African Trade and Transport Facilitation Project

The East Africa Trade and Transport Facilitation Project (EATTFP) is being co-financed through a credit from the International Development Association (IDA), including a grant from

Trademark East Africa (TMEA) and the Government of Uganda (GoU). The project, which has components in Kenya, Tanzania, Rwanda, and Uganda, was prepared targeting the East African Community Secretariat and Corridor Authorities in East Africa so as to promote trade and transport facilitation in the region.

The project objectives are: Enhancing efficiency of the customs agencies clearance processes in the participating EAC Custom Unions to facilitate trade; Improving efficiency and reliability of transport and logistics services along the key corridors; and Improving railway services in Uganda and Kenya; and enhancing safety in identified areas and reduce governments "transfers" to railway by rationalizing the work force on the Kenya-Uganda railway.

The Uganda component of the IDA credit became effective on 2nd April 2007 and closed on 30th September, 2015. However, implementing countries were given a grace period of four (4) months to clear any outstanding payments for work done before project closure date that is up to 31st January 2015. For the Uganda component, all IDA-financed activities have been completed with exception of Katuna One Stop Border Post (OSBP), which was being co-financed by GoU due to insufficient funding under IDA.

Due to insufficient funding under IDA, GoU with assistance from World Bank sought and received financial support from TradeMark East Africa (TMEA) to finance some of the activities under the project. This support is off-budget and in form of grant. Therefore, the TMEA and GOU components of the project are still under implementation and are scheduled to close on 30th June 2020. The activities that have so far been completed by the MoWT are summarized in Table 12.5.

Table 12.5: EATTFP Activities Completed by Ministry of Works and Transport (MoWT)

No	Activity	USD Mn	Funding Agency	Status
1	Rehabilitation of MV Kaawa and dry dock at PortBell (including assessment and supervision)	3.91	IDA	Completed in August 2012 and handed over to URC/RVR for operations.
2	Feasibility study for upgrading of Tororo – Pakwach railway line	0.77	IDA	Completed in January 2011. Findings were used in rehabilitating the line.
3	Procurement of four (4nos) mobile weigh bridges for *Tororo-Mbale*, *Soroti-Lira*, *Kyotera-Mutukula*, *Mbarara-Kasese* roads	0.42	IDA	Completed in December 2009 and handed over to UNRA for operations and further management.
4	Procurement and Installation of four (4nos) axle weighing in motion weigh bridges near *Malaba, Busia, Katuna, and Mutukula* border posts	1.0	IDA	Completed in June 2015 and handed over to UNRA on 26 August 2015. For operations and further management.
5	Construction of railway Inland Container Depot (ICD) at Mukono railway station	8.67	IDA	Completed and handed over to URC/RVR in July 2015 for operations.

No	Activity	USD Mn	Funding Agency	Status
6	Land acquisition for the construction of Mutukula, Mirama Hills and Katuna OSBPs	1.32	GOU	Completed and currently processing land titles.
7	Consultancy services for detailed engineering design for the proposed OSBP at Malaba, Busia, Mutukula, Mirama Hills, and Katuna border posts	1.48	IDA	Completed in June 2011.
8	Construction of One-Stop Border Post (OSBP) facilities at Malaba border post	4.6	IDA	Completed and handed over to URA in February 2015 for OSBP operations.
9	Construction of One-Stop Border Post (OSBP) facilities at Mirama Hills border post	7.8	TMEA	Completed and handed over to URA in July 2015 for OSBP operations.
10	Construction of One-Stop Border Post (OSBP) facilities at Mutukula border post	5.5	TMEA	Completed and handed over to URA in February 2016 for OSBP operations.
11	Construction of One-Stop Border Post (OSBP) facilities at Busia border post	5.5	TMEA	Completed and handed over to URA in June 2016.
12	Construction of One-Stop Border Post (OSBP) facilities at Elegu border post (Phase 1)	8.1	TMEA	Completed and handed over to URA on 15 November 2018

Source: MoWT Project Coordinator

In FY 2018/19, the project has a budget of Ug shs 13.96 billion from GoU, of which Ug shs 7.47 billion (53.5%) was released and Ug shs 1.01 billion (13.5%) was expended by 31st December 2018. This was a good release and poor absorption performance and is summarized in Table 12.6.

The OSBP component had only 52.9% of the project approved budget of which 63.1% was released and 14.8% spent by 31st December 2018. The poor absorption was attributed to: the suspension of works by the contractors of the OSBPs due to delayed payments; and processing of the contractor's VAT claims which was still underway. However, the MoWT negotiated with the contractors to resume works as their financial claims were being reviewed.

Table 12.6: Financial performance of the EATTFP by 31st December 2018

	Annual Budget (Ug shs) Billions	Release (Ug shs) Billions	Expenditure (Ug shs) Billions	%age budget releases	% release spent

OSBP Component	6.86	4.33	0.64	63.1	14.8
Total Project	12.96	7.47	1.01	57.6	13.5
% of OSBP Component	**52.9**	**58.0**	**63.4**		

Source: MoWT Project Coordinator

Planned activities of the EATTFP and their budget allocations are summarized in Table 12.7. The last two outputs (Construction/Rehabilitation of Railway Infrastructure and Feasibility/Design Studies) are not part of the project scope but were budgeted for under the project as the process of securing their own project codes was ongoing.

Table 12.7: EATTFP FY 2018/19 Annual Budget and Annual Planned Outputs

Annual Planned Output	**Approved Budged (Ug shs)**
Monitoring and Capacity Building Monitoring and Supervision of Construction works for One Stop Border Posts undertaken Monthly, Quarterly and Annual Project Progress Reports prepared	0.35Bn
Border Post Rehabilitation/Construction Construction of Elegu OSBP completed Construction of Katuna OSBP (Phase 1) completed 90% construction works for the exit road at Malaba OSBP completed Contractor for the construction of Katuna OSBP (Phase 2) procured Designs for Goli and Ntoroko OSBPs completed	6.51Bn
Construction/Rehabilitation of Railway Infrastructure RAP for the rehabilitation of Tororo - Gulu Railway line implemented;	5.0Bn
Feasibility/Design Studies Rehabilitation works for Central Mechanical Workshops, Public Structures Dept, Central Materials Laboratories, and Entebbe undertaken Engineering designs and tender documentation for improvement of Port Bell and Jinja Pier reviewed and approved	1.1Bn
Total Budget Allocation	12.96Bn

Source: EATTFP Project Coordinator

Therefore, the performance of the EATTFP was obtained based on the ongoing activities of the OSBP component. A summary of the performance is summarized in Table 12.8. The overall performance of the EATTFP was fair at 55.56%. This was attributed to the performance of the OSBP components which suffered setbacks arising from suspension of works due to claims by contractors on fluctuation in prices of materials. However, the budget for Elegu OSBP was frontloaded in order to pay VAT claims to enable resumption of works to completion and also avoid further accumulation of interest. For the Malaba exit road, the MoWT secured funding for the remaining works from TMEA and the GoU project releases for Q3-Q4 will be utilized on Katuna OSBP-Phase 1.

i) Construction of Elegu OSBP: The project was substantially completed in the previous FY and was handed over to URA on 15th November 2018. The project had an annual budget of Ug shs 2 billion which was all released, but not expended by 31st December 2018. The funds were unspent because processing of the contractor's VAT claims worth Ug shs 2.2 billion was still underway by the end of Q2. This was anticipated to be paid in Q3.

ii) Construction of Katuna OSBP (Phase 1): Phase 1 of this project involved swamp reclamation works which have been completed and construction of the main block. Overall physical progress of works was at 80%. The progress was affected a number of issues/factors which are: delayed confirmation by the Government of Rwanda to develop Gatuna OSBP due to environmental issues; withdrawal of the European Union to finance Phase 2 works (swamp reclamation, road works, parking yard); suspension of construction works by the contractor from December 2016 to August 2018 due to delayed payments; and the poor site conditions and at Katuna and the poor terrain of the area coupled with inclement weather conditions which affected delivery of materials.

In the FY 2018/19, the project had an annual budget of Ug shs 3 billion, of which Ug shs 1.5 billion (50%) was released and no expenditure recorded by 31st December 2018. Funds were unspent because the contractor resumed works late in October 2018 (having suspended works in December 2016 at 70% progress). The contractor's IPC for works done in November 2018 was submitted in December 2018 and was still under process by the end of the first half of the FY. This was to be paid in Q3. The works mainly involved: construction of a ramp, repair of damages due to settlement taking place on site; and finishes – plastering, fixing of windows and electrical wiring. The cumulative works progress was 75%.

Table 12.8: Performance of the EATTFP by 31st December 2018

Output	Annual Planned Progress	Cum. Progress Achieved	Weighted physical performance, %	Remark
Construction of Elegu OSBP completed				Project was handed over to URA on 15th November 2018.
Construction of Katuna OSBP (Phase 1) completed	30%	5%	66.7	Contractor resumed works late in October 2018 (having suspended works in December 2016 at 70% progress). Cumulative progress attained was 75%.
Construction works for the exit road at Malaba OSBP completed	30%	20%	33.3	The contractor resumed works in August 2018 (having suspended works in December 2016 at 60% progress) after the MoWT

Output	Annual Planned Progress	Cum. Progress Achieved	Weighted physical performance, %	Remark
				secured a grant from TMEA. Cumulative progress of works was estimated at 75%.
Contractor for the construction of Katuna OSBP (Phase 2) procured.				Procurement not commenced due to lack of funding.
Designs for Goli and Ntoroko OSBPs completed				Design completed.
Overall Performance				**55.56% - fair performance**

Source: Author's compilation

iii) Construction works for the exit road at Malaba OSBP: The project had an annual budget of Ug shs 1.5 billion, of which Ug shs 0.5 billion (33.3%) was released and Ug shs 0.42 billion (84%) spent. The progress of works was affected by suspension of works by the contractor from December 2016 to June 2018 due to delayed payments at a time when then civil works were at 60% progress. The contractor resumed works in August 2018 after the MoWT secured a grant from TMEA to complete the works this FY. By 31st December 2018, the works had attained a cumulative physical progress of 80%.

Construction works on the ramp at the Katuna OSBP – Phase 1 works

Repair work on the cracks in the walls caused by settlement at the Katuna OSBP

Conclusion

The performance of the East African Trade and Transport Facilitation project was fair at 55.6% by 31st December 2018. The project performance was affected by the suspension of construction works by the contractors at the Katuna and Malaba OSBP from December 2016 to August 2018 due to delayed payments. However, the MoWT has secured funding for the remaining works from TMEA for the Malaba exit road and the GoU project releases for Q3-Q4 that will be utilized on Katuna OSBP-Phase 1. This support from TMEA is off-budget and in form of a grant.

It should be noted that the OSBPs have improved border coordination between various agencies, introduced joint inspection and clearance of goods all of which have helped to reduce border clearance and crossing time.

Challenge

- The project has had funding short falls which affected the progress of activities implemented. This has had a negative cost implication on the overall project cost.

Lessons Learnt

- The GoU and the implementing agencies should always ensure availability/commitment of funding before contract signing.
- Timelines and adequacy of project releases have an impact on project progress and overall project cost.

C) Urban Roads Re-sealing

Background

Urban roads deteriorated dramatically during the 1970s and early 1980s, largely due to lack of maintenance. This arose due to the dwindling resources and poor management in the urban authorities. Since 1987, concerted efforts have been made to rehabilitate and repair some of the major roads and streets within Kampala City. During phase I, which ended in 1989, 41km of butimen roads were rehabilitated in Kampala financed by EU and KCC.

In 1991, the Japanese Government extended a grant of USD 2.4 million to the GoU in form of construction plant and equipment spares for rehabilitation of urban roads. Consequently, the JICA II Urban Roads Resealing Project was constituted and charged with the implementation of the dilapidated roads in the urban centres of Uganda. The GoU through the annual budget provisions of the Ministry provided operational funds.

Four urban councils were selected each financial year, one from each region of the country, that is, North, East, West and Central. Each benefitting urban council was required to counter fund the operations with at least Ug shs 50 million from their local revenue. A total of 164 km was rehabilitated in 54 urban centres while using the force on account implementation strategy in the second phase.

The third phase of the project started on 30th June 2011 and is expected to end on 30th June 2021. The MoWT is the implementing agency represented on site by the Urban Roads Resealing Unit. The Unit Manager is the works supervisor and is assisted by a team comprising of a Civil Engineer, Mechanical Engineer, Site Clerk, Surveyor and Quality Control Teams.

In August 2012, the urban roads resealing programme was allocated part of the new equipment purchased by the GoU under the Chinese Exim Bank loan of USD 100 Million. Under this new method of project operation which started in the FY2013/14, no co-funding was to be requested from the urban councils as had earlier been the practice of contributing Ug shs 50 million. The role of urban councils is now limited to selection of the roads to be constructed and monitoring the works progress. All the project inputs like construction materials, fuel, etc. are procured centrally by the MoWT.

The project objectives are to: create a better working environment by reducing mud and dust in urban areas; reduce vehicle operating costs and transport charges; improve traffic movement and circulation within urban areas; and attract the investment in urban areas to boost the economy. The project is funded by the GoU.

The MoWT through budget provisions under Project Code 0306 - Urban Roads Resealing, rehabilitates and upgrades to bitumen standard road networks in at least three (3) Urban Councils in the country every financial year. Other works undertaken arise from GoU directives and pledges to construct tarmac for Government Institutions and Agencies. The project implements some of H.E the President's directives/interventions on the bituminized road maintenance and rehabilitation works outside the UNRA mandate and beyond the scope of District Local Governments.

In FY2011/12, the Urban Roads Resealing Project was conceived and incorporated into the Project Investment Plan (PIP) as a successor project to the earlier JICA II Urban Roads Resealing Project which started in 1991 under the Ministry of Local Government and later transferred to the then Ministry of Works, Housing and Communications. The project proposal covered a time frame of nine (9) years (FY2011/12 – 2019/20) with a total project cost of Ug shs 134.42 billion and a planned output of 107.9km of urban roads tarmacked. The project has since commencement been under-funded. It is only in the FY2018/19 that the project IPF was at least 87% (Ug shs 15.10 billion) of the originally planned annual budget Ug shs 17.42 billion. Consequently, the total cumulative funds released for the project up to FY2018/19 amounts to Ug shs 37.04 billion (33.1%) against an originally planned project cost of Ug shs 112.07 billion for the same period.

In 2012, following H.E the President's directive that the maintenance and rehabilitation of the District Urban Community Access Roads (DUCAR) network should be executed using the Force Account mode of implementation, the GoU secured a grant from the Exim Bank of China for the procurement of road construction equipment for the Districts and the MoWT. However due to the poor equipment performance under this grant, another Equipment Grant from the Japanese Government worth Ug shs 318 billion was secured in 2016. The Urban Roads Resealing Project was allocated two new bitumen sprayers for undertaking tarmac road construction works.

From FY 2011/12 to FY2017/18, the project output stands at 49.8km road network bituminized in the following locations: Lukaya T.C, Kyenjojo T.C, National Leadership Institute (NALI) in Kyankwanzi, Bwanda Covent in Kalungu DLG, Masindi T.C, Lyantonde T.C, Ibanda T.C, Katakwi T.C and Kapchorwa TC.

In FY 2018/19, the Urban Roads Construction and Rehabilitation component had an approved annual budget of Ug shs 15.1 billion from the GoU. This increased by 357.6% from the previous FY 2017/18 budget of Ug shs 3.3 billion. By 31st December 2018, Ug shs 6.54 billion (43.3% of approved budget) was released, of which 4.49 billion (68.6%) was expended. This was a good financial performance.

Planned activities in the FY 2018/19 include road rehabilitation and upgrading works in the following locations: Chebrot road (1.0km) in Kapchorwa Municipality; Movit road (1.2km) in Makindye Ssabagabbo Municipality, Kira-Bulindo-Nakwero road (2.0km) in Kira Municipality; Church and Cathedral roads (1.1km) in Bugembe Town Council; Nyakasharu road (0.5km) in Rubirizi Town Council; Internal Roads (2.2km) at the National Agricultural and Trade Show Grounds in Jinja Municipality; Old Kampala and Station roads (2.3km) in Mityana Municipality – all totalling to 10.3km.

The unit also planned to undertake: Periodic Maintenance of circular road (1.3km) at Gayaza High School; Improvement of the junction on the Access Road to Bwanda Convent; Procurement of ARMCO pipe culverts for support to emergency road works in Urban Councils; preparation of feasibility studies and preliminary designs for urban roads rehabilitation projects in 20 municipalities.

The semi-annual annual performance of the Urban Roads Resealing Unit in the FY 2018/19 is summarized in Table 12.9.

Table 12.9: Semi-annual Performance of the Urban Roads Resealing Unit Project

Intervention	Annual Target (%)	Cumulative Quantity Achieved	Physical Performance Score (%)	Remarks
Rehabilitation of roads in Mityana M.C roads – 2.35km (Station Rd and Old Kampala road)	75	3,845,821,940	50	Physical works in progress. Station road surfaced with Asphalt wearing course.
Pre-Feasibility study and Feasibility Design for urban roads rehabilitation project in 20 municipalities	100	975,949,260	30	Contract in progress. Extension of time granted
Extra works on sealing parking areas and access road – 0.2M at NALI Kyankwanzi	85	181,305,000	50	Physical works in progress with drainage works ongoing.
Upgrading to bitumen standard Chebrot road (Upgrade 1km to double bituminous surface dressing)	100	1,000,000,000	0	Activity to be executed in Q3.
Upgrading to bitumen standard Nyakasharu- Gahire road	80	304,828,800	20	Physical works in progress. Road pavement

Intervention	Annual Target (%)	Cumulative Quantity Achieved	Physical Performance Score (%)	Remarks
(Upgrade 0.5km to double bituminous surface dressing)				construction works ongoing.
Upgrading to bitumen standard Kira-Bulindo-Nakwero in Kira M.C (Upgrade 2km road section to DBTS from Nakwero towards Bulindo.	60	2,000,000,000	10.0	Detailed engineering design complete. Procurement for works contractor in progress
Periodic maintenance / Upgrading to bitumen standard the internal roads at the National Agricultural Show Grounds in Jinja M.C - 2.2km	10	2,300,000,000	10.0	Detailed engineering design complete. Procurement for suppliers of construction materials in progress.
Gayaza High School circular road 1.3km (phase 1)	100	55,000,000	100.0	Physical works under phase 1 completed.
Upgrading to bitumen standard of Movit road in Makindye-Ssabagabo M.C – 1.2km	10	,200,000,000	10.0	Detailed engineering design complete. Procurement for suppliers of construction materials in progress.
Improvement of the junction on the Access Road to Bwanda Convent	0	48,400,000	0.0	Activity to be executed in Q3.
Upgrading to bitumen standard road network leading to (including parking area) in Bugembe T.C. - 1.15km	0	1,500,000,000	0.0	Detailed engineering design complete. Procurement for suppliers of construction materials in progress.
Procurement of ARMCO pipe culverts for support to emergency road works in Urban Councils	100	1,000,000,000	100.0	ARMCO pipe culverts contribution to support emergency works in DLGs and for Force Account works under Urban Roads Resealing.
Overall weighted physical progress			**52.51%**	**Fair Physical Performance**

Source: Author's Compilation

The project achieved an overall physical progress of 52.51% of the half year targets which is a fair performance. This was attributed to the utilization of funds released in the first half of the financial year, and the newly acquired Japanese equipment which boosted the unit. However, delays in procurement was still a challenge to the program.

The only completed activities were: the procurement of ARMCO pipe culverts for support to emergency road works in Urban Councils and the rehabilitation of Gayaza High School circular road 1.3km (phase 1) under phase 1. Other activities were at various physical progress. Most of these which commenced this FY had their designs finalized and the procurement of service providers (contractors and material suppliers) was undergoing.

Observations

- **Rehabilitation of roads in Mityana Municipality – 2.35km (Station road and Old Kampala road):** The works commenced in the previous FY and had attained a progress of 50% by 31st December 2018. The Station road was surfaced with asphalt wearing course while base preparation works of scarifying the existing surface and benching on the road side were undergoing on the Old Kampala road.

- **Upgrading to bitumen standard Nyakasharu-Gahire road (Upgrade 0.5km to double bituminous surface dressing) in Rubirizi Town Council:** The construction works on the 0.5km section were underway with the earthworks ongoing. The physical progress was at 20%. The project progress was affected by: the persistent rains in the region; utility service line (power and water) within the road prism which had to be relocated; the drainage challenges arising from the road being lower than the surrounding which made it hard to direct water off the road; and the unavailability of gravel in the region which has volcanic soils.

- **Gayaza High School circular road 1.3km (phase 1):** Upgrading works on this road were to be implemented in two phases. Phase 1 which was completed involved widening, shaping and gravelling, while phase 2 which will include the application of a double surface bituminous seal will be implemented in the next FY. Drainage improvements of culvert installation of 600mm culverts (5 lines of concrete pipes and 3 lines of armcos) had been installed.

- **Rehabilitation/Upgrading of the Access Road (3.1km) to Busoga College Mwiri in Jinja and paving the parking area at the Central Materials Laboratory in Kireka, Kampala**

  This project is supervised by the Urban Roads Resealing Unit but the funding source is under the Rehabilitation of District Roads project. The construction works for this project were contracted to M/s Multiplex Limited for a period of six months at a contract sum of Ug shs 4,443,15,591,900. The scope of works involved: construction of the road pavement layers comprising of lime stabilized gravel base, construction of double bituminous surfacing treatment; drainage works comprising of culvert works and side drain constructions in stone pitched masonry, construction of raised walkways for road section inside school compound, Ancillary works such as road humps, road markings, road signs and kerbstones, construction of Asphalt Surfacing in the parking areas (3491m^2) at the Central Materials Laboratory in Kireka, Kampala and in front of the School Administration block (450m^2) at Busoga College, Mwiri in Jinja. The construction works commenced on 12th July 2018 and were expected to end on 12th January 2019.

  Financial performance was estimated at 38.12% against the planned 70%. The contractor received advance payment amounting to Ug shs 843,444,240. One IPC amounting to Ug shs 805,182,966 was certified and paid.

The physical performance of the project was estimated at 52.01% against the planned 75% for a time lapse of 83%. The project was generally behind schedule due to slow pace of work execution by the contractor in the months of August - September 2018 and inclement weather between November and early December 2018 which negatively affected work progress. Performance of the project was also affected by a delay in relocation of utilities by NWSC and UMEME.

The contractor had completed the following activities: Earthworks for the entire road section, gravelling of the base stabilized with lime, priming with MC 30, installation of cross culverts. Stone pitching of side drains was ongoing in preparation for the surfacing. It was however noted during the field inspection that the primed section had over stayed without sealing the surface which could compromise the quality of the finished work. There was need for the contractor to re-prime before adding the first seal.

Asphalt on Station road in Mityana Municipality

Road bed preparation works on Kampala road in Mityana Municipality

A completed section of Gayaza High School Circular road (1.3km)

Road bed preparation works of Nyakasharu- Gahire road in Rubirizi TC

Primed section along the access road to Busoga College Mwiri in Jinja

Stone pitching works along the access road to Busoga College Mwiri in Jinja in progress

Conclusion

The overall performance of the Urban Roads Resealing project was fair with 52.51% of the half year targets achieved by 31st December of 2018. This was attributed to the utilization of funds released in the first half of the financial year and the newly acquired Japanese equipment which boosted the unit. However, delays in procurement was still a challenge to the program.

Implementation challenges

- Rains in the first and second quarter disrupted works on projects in the construction phase.
- Delays arising from the procurement of materials which was done centrally at the MoWT headquarters.
- Inadequate funding to fully utilize the newly procured Japanese equipment allocated to the project. The current equipment resource has an output of 24km of tarmac construction works annually if adequate funding amounting to Ug shs 30 billion annually is availed.
- Inadequate transport facilitation for supervision and monitoring; especially the vehicles.

Recommendations

- Substantial funds should be committed and released at ago for this project in order to effectively complete activities implemented by this project.
- The MoWT should increase the annual budget allocation to the project from the current Ug shs 15 billion to Ug shs 30 billion in order to fully utilize the equipment units of the projects.
- The MoWT should provide sound supervision vehicles for all implementing units in order to effectively supervise and monitor the works being undertaken.

Overall MoWT Conclusion

The overall performance of the roads sub-sector in the MoWT was fair at 62%. This was attributed to the good performance of the Construction of Selected Bridges project which was at 78%. Implementation of planned outputs by the force account implementing units was enhanced by the acquisition of the new Japanese equipment. However, heavy rains during the first half of the financial year and delays in procurement of service providers continued to affect implementation of activities in the first half despite the good release performance of 52% of the budget. Projects like the EATTFP experienced funding short falls and thus activities were implemented beyond the stipulated timelines bearing a cost on the government.

Key Implementation Challenges

- Heavy rains in the first and second quarter disrupted works on projects in the construction phase.
- Delays arising from the procurement of materials which was done centrally at the MoWT headquarters.
- Inadequate transport facilitation for supervision and monitoring; especially the vehicles.

Recommendations

- The Planning Unit of the MoWT should prioritize procurement of projects so that works start as programmed.
- The MoWT should provide implementing units with at least one vehicle to effectively monitor the activities undertaken.

12.2.2 National Road Construction/Rehabilitation (UNRA-Vote 113)

The programme contributes to improved transportation system as an outcome. Indicators to this outcome were as are increase in proportion of the paved road network; percentage increase in proportion of the paved national road network from fair to good condition, and proportion of total road network that is paved.

The annual planned outputs under the programme in the FY 2018/19 on national roads are: upgrading of 400 km of gravel roads to bitumen standard; reconstruction of 200km of old paved roads; and construction of five (5) bridges. By 31st December 2018, 159 km (39.75%) were upgraded to tarmac; while 55km-equivalent (27.5%) of paved national roads were reconstructed/rehabilitated and two bridges out of five were constructed. For the annual performance, the programme was monitored under the following categories: seven (7) projects under upgrading and one (1) project under rehabilitation or reconstruction. The performance of the National Roads Construction program at half year was good at 76.6% as an average 38.31out of 50 target was achieved. Details of the performance of the projects are summarized in Table 12.10.

Table 12.10: Semi-annual Performance of the National Roads Construction/Rehabilitation Programme for the FY 2018/19

Sub/Programme	Annual Target (%)	Achieved Quantity (%)	Score (%)	Remark

Sub/Programme	Annual Target (%)	Achieved Quantity (%)	Score (%)	Remark
Kashenyi – Mitooma (11.53Km) and Kitabi Seminary Access Road (0.8Km)	61.71	57.16	92.63	The achievement of the semi-annual targets was very good. The project was handed over on Wednesday 16th January 2019. Provision of curbs at the hump ends to divert cyclists was a good practice.
Bulima – Kabwoya (66 km)	8.13	3.72	45.76	The semi-annual target was not achieved. Major works on 20km were completed, pending application of surface dressing on the accesses. Works had stalled at the first 2km due to realignment.
Kyenjojo – Kabwoya (100 km)	30	12.4	41.33	The semi-annual target was not achieved. The first and second seals were completed. On-going activities were stone pitching and bridge works. Pending works was road furniture installation.
Kitala-Gerenge (10 km)	66	2.59	3.92	The semi-annual target was not achieved. On-going works were earthworks.
Kigumba- Bulima Road (69Km)	40	11	27.50	The semi-annual target was not achieved. A total of 38 km section were handed over. Good site management at the camp was observed.
Mukono-Kyetume-Katosi/Nyenga (74km)	30	6.6	22.00	The semi-annual target was not achieved. A section of the handed over 31km was visually good.
Bumbobi – Lwakhakha (44.5km) road to bitumen standard	54.35	19.06	35.07	The contractor had completed surfacing of the first 12km of the road including road marking. Installation of road signage and drainage works were ongoing. Between km 12 to km 30, earth works for the subgrade and sub-base, construction of bridges and box culverts were in progress.
Rehabilitation Project				
Kyenjojo – Fort Portal (50km)	56.2	21.5	38.26	The semi-annual target was not achieved. Relocation of utilities was completed while all other activities were ongoing.
NRC Programme Performance at	38.31	Good		

Sub/Programme	Annual Target (%)	Achieved Quantity (%)	Score (%)	Remark
half year		performance		

Source: December Project Progress Reports, Sector Reports FY 2018/19, and Author's compilation

Overview of the monitored Projects

a) Kashenyi – Mitooma (11.53Km) and Kitabi Seminary Access Road (0.8Km)

The works contract for this project was awarded to M/s China Chongqing International Construction Corporation (CICO) at a sum of Ug shs 49,199,624,174. It was supervised by the UNRA In-house team following the expiry of M/s LEA International Ltd, in conjunction with M/s KOM Consult's contract on 6th April, 2018. The physical progress was at 97.71% against a target of 100%. The works contract was extended from 30th January 2018 to 19th January 2019.The slippage of 2.29% was mainly attributed to delayed finalization of land acquisition.

Land acquisition was estimated at 79% with 592 (92.8%) Project Affected Persons (PAPs) paid out of 638, a total sum of Ug shs 8,116,262,452 out of Ug shs 8,904,750,690 approved in the original evaluation report. The supplementary report was also produced where 141 PAPS (Ug shs 3,152,512,192) out of 164 PAPs (Ug shs 4,423,788,472) had been paid.

A financial progress of 97.86% had been attained by December, 2018. Out of the seven (7) IPCs (Ug shs 29,320,666,114) certified, 5 IPCs (Ugs shs 23,093,814,459) had been paid.

b) Bulima – Kabwoya (66km)

The works contract for this project was awarded to M/s China Railway No. 5 Engineering Group Co. Ltd at a sum of Ug shs 141,941,840,327. It is supervised by Ms Comptran Engineering and Planning Associates. The works started on 1st December 2015 and were expected to end on 31st May 2018. However, the contract end date was revised to 15th May 2019 due to increased scope of work and disruption by rains.

The physical progress was at 76.03% against a target of 80.51%. The slippage of 4.48% was mainly attributed to inadequate equipment and its supplies mobilization by the contractor where 72 out of 119 pieces provided for in the contact were on site. Additionally, the available equipment frequently broke down.

Land acquisition was estimated at 84.4% with 2,381PAPs paid out of 2,820 PAPs valued, at total sum of Ug shs 8,895,889,544 out of Ug shs 13,053,888,847 approved.

A financial progress of 64.48% against a target of 73.11%. Out of the 18 IPCs (Ug shs 58,746,779,289) certified, 17 IPCs (Ug shs 55,364,169,550) had been paid. However, only 32 invoices totaling to Ug shs 166,892,483 and USD 1,138,468 had been paid out of 38 totaling to Ug shs 227,211,135 and USD 1,405,119.

c) Kabwoya – Kyenjojo (100km)

The project is co-funded by African Development Bank (AfDB), Department for International Development (DFID) and GoU. The contract for the works of this project was awarded to M/s Shengli Engineering Construction (Group) Co Ltd of Shengli Oilfield on 24th April, 2015 at a sum of Ug shs 214, 563,989,426. It is M/s Comptran Engineering and Planning Associates (Ghana) since 30th April, 2015.

The works started on 5th April, 2015 and the cumulative physical progress of the project was at 53.6% against a planned 68.35%. The slippage of 14.75 % was mainly due to the contractor's cash flow which was affected by the non-payment of VAT on IPCs following the recent change in legislation on VAT which exempted all donor funded road construction projects from VAT. Consequently, the VAT on IPCs 6 to 13, amounting to Ug shs 6,633,118,491.30, was not paid to the contractor, although he continues to pay VAT on materials purchased from suppliers for construction activities. This was extended to the sub-contractors by the main contractor and resulted in prolonged halting of utilities relocation works.

The financial progress was at 47% against the planned 68.55%. A total of 13 IPCs amounting to Ug shs 101,224,592,676.95 (47% inclusive of advance payment and VAT) was certified out of which Ug shs 89,653,770,914.65 (42%) was paid. Therefore; an amount of Ug shs 11,570,821,762.30 was to be paid to the Contractor inclusive of Ug shs 6,633,118,491 being unpaid VAT on IPCs 6 – 13. The consultant was paid for all the 32 Invoices totaling to USD 1,939,902.87.

A total of 5622 PAPs (98.5%) were paid Ug shs 22,441,496,550 out of 5,705 PAPs that had to be paid Ug shs 24,596,602,629. A total of 571.23 aces (96.65%) was acquired against a plan of 591.

d) Kitala-Gerenge (10 km)

The project is funded by the GoU at a planned cost of Ug shs 21,153,947,090. The project works commenced on 15th June 2018 and is expected to end on 14th December, 2019. The works were executed and supervised by the in-house construction team. The supervision budget is Ug shs 450,000,000.

The cumulative physical progress of the project was at 2.59% against a planned 10.42%. The slippage of 7.83% was mainly due to delayed relocation of activities, delayed procurement of material and equipment as well as delayed land acquisition. The financial progress was at 8.28% against the planned 17.48%.

Land acquisition was estimated at 55% with 508 PAPs paid out of 721, a total sum of Ug shs 12,763,331,310 out of Ug shs 23,015,27,268 approved in the original evaluation report. A supplementary report was also produced where 54 PAPs (owing Ug shs 1,263,621,190) out of 228 PAPs (Ug shs 5,598,043,894) were paid. However, land acquisition is not systematic as it does not give continuous work sections.

e) Kyenjojo – Fort Portal (50km)

The rehabilitation project is funded by the GoU. The works contract for this project was awarded to M/s China Wu Yi Co. Ltd at a sum of Ug shs 17,435,766,901 and the works commenced on 1st June 2016. It supervised by the UNRA In-house team following the expiry of M/s MBW Consulting Ltd, in conjunction with M/s Infrastructure Projects Ltd JV's contract on 1st June 2016. The works contract was extended from 28th December, 2017 to 30th September, 2019. The physical progress was at 65.88% against a target of 92.43%. The slippage of 28.55% was mainly attributed to delayed finalization of land acquisition. The slippage was due to delayed approval of Asphaltic concrete supply and lay contract which the contractor claims makes them complacent to undertake works in sections that will not be protected due to limitation of the contract amount.

The cumulative financial progress was 80.68% against a planned progress of 91.55%. Out of 13 IPCs (Ug shs 51,295,130,536) certified out of which 12 (Ug shs 45,758,872,359) was paid.

f) Kigumba-Bulima Road (69Km)

The project is co-funded by African Development Bank (AfDB), Department for International Development (DFID) and GoU. The contract for the works of this project was awarded to M/s China Railway No 5 Engineering Group Co. Ltd at Ug shs 159,608,817,498 which was revised to Ug shs 206,696,622,280. It is supervised by M/s H. P. Gauff Ingenieure GmbH & Co. KG – JBG–, Consulting Engineers of Germany in association with M/s Gauff Consultants (U) Ltd since 15th August, 2015.

The date of site possession was 23rd February 2018 from Km 0 – 25 (25Km) and 27th November 2018 from Km 25 – 38 (13 Km). The cumulative physical progress of the project was at 11% against a planned target of 18.83%. The slippage of 7.83% was mainly due to delays in: mobilization of equipment; delayed procurement of imported materials like geogrid and geotextile; procurement of sub-contractors for the relocation of services; formalization of addendum to the contract regarding the increased quantities as the contractor was still negotiating with UNRA.

The financial progress was at 3.3% against the planned 17%. A total of 3 IPCs amounting to Ug shs 28,901,441,913 (inclusive of advance payment) were submitted 12 invoices totaling to USD 904,957 and Ug shs 1,162,996,145 out of which 11 (USD 854,939 and Ug shs 1,087,254,153) were paid.

A total of 1,030 PAPs (87.14%) were paid Ug shs 6,555,756,730 out of 1,182 that had to be paid Ug shs 8,589,431,604. A total of 98.1 acres (77%) were acquired against a plan of 127 acres.

g) Mukono-Kyetume-Katosi/Nyenga (74km)

The project is co-funded by the GoU. The contract for the works of this project was awarded to M/s JV SBI International Holdings and Reynolds Construction Co. Ltd at Ug shs 253,940,121,150 which was revised to Ug shs 283,486,850,935. It is supervised by UNRA in-house team after the expiry of the contract of M/s Arab Consulting Engineers (ACE) on 13th April, 2018.

The works commenced on 27th January, 2015 and were expected to end on 25th July, 2017. However, this was extended to 9th July, 2019. This was mainly due to delayed land acquisition due to delayed payment of PAPs and land disputes and delayed payments of IPCs resulting into cash-flow problems for the Contractor. However, the cumulative physical progress of the project was good at 99.5% against a planned target of 99.6%.

The financial progress was at 90.12% against the planned 99%. A total of 36 IPCs amounting to Ug shs 221,929,944,226 were certified out of which 33 (Ug shs 207,092,834,806) was paid. The consultant was paid for all the 49 invoices totaling to USD 3,077,033.

A total of 4,400 PAPs (73.1%) were paid Ug shs 48,141,722,930 out of 6,019 that had to be paid Ug shs 56,863,129,950. A total of 755.2 acres (88.8%) was acquired against a plan of 850.47 acres.

h) Bumbobi-Lwakhakha Road (44.5km)

The project is co-funded by the African Development Fund (ADF) and the GoU. The contract for the works of this project was awarded to M/s China State Construction Engineering Corp. Ltd at Ug shs 140,724,306,533 (inclusive of all taxes). It is supervised by M/s SGI Studio Galli Ingegneria Srl in JV with SARI Consulting Ltd, Consulint Srl and Anchor Engineering Services Ltd since 15th August 2016.

The works contract commenced on 6th December, 2016 and was expected to end on 23rd August, 2019. The cumulative physical performance of the project was at 32% against a planned of 79.18% with 80.9% of the contract duration already elapsed by 31st December 2018. The project's slow progress was attributed to delayed possession of the right of way as well as poor mobilization of the contractor which was estimated at 66% however, this was justified as the contractor could not bring in additional equipment as they would be idle.

The financial progress was at 38.8% against the planned 71.4% as at 31st January 2019. A total of 13 IPCs amounting to USD 9,870,260.1 and Ug shs 21,049,962,437.9, foreign and local currency respectively were certified but payments up to IPC 12 amounting to USD 8,671,134.6 and Ug shs 12,283,228,364 were paid.

A total of 1,341 PAPs out of 1,345 PAPs in the first 20km were compensated, leaving the contractor with 15km out of 20km available for the contractor. From km 20+000 to 30+000, 1,050 PAPs out of 1,136 PAPs were paid with the rest of the PAPs having grievances about the values of their properties. Overall about 96% of the PAPs were paid within km 0+000 to 30+000. From km 30+000 to 44+500, verification and disclosure was completed and payment of the PAPs shall follow within March 2019.

Key observations

- **Delayed finalisation of land acquisition especially for upgrading projects**: This was experienced on projects such as Kashenyi–Mitooma (11.53Km) and Kitabi Seminary Access Road (0.8Km) and Kitala-Gerenge (10 km) and Bumbobi-Lwakhakha Road (44.5 km).
- **Inadequate designs especially geotechnical investigations of** Kyenjojo-Fort Portal (50 km) where upgrading works are being undertaken instead of rehabilitation as originally planned.
- **Delayed relocation of utilities** such as electricity/power lines on Kyenjojo-Kabwoya (100km) where these works stalled in October and November 2018 due to non-payment of VAT on works executed by the sub-contractor.
- **Heavy rains during the second quarter of the FY** which affected execution of planned works on all projects. This attracted claims for extensions of time.
- **Incomplete mobilisation of the required materials and minimum equipment** by the contractor. For instance, on Bulima-Kabwoya only 72 out of 119 pieces of equipment was mobilised and this frequently broke down. Similarly, the contractor on Kyenjojo-Kabwoya Road (100km) had mobilised 75.4% of the equipment and yet they were underutilised.
- **Delayed payments to the service providers** such as the consultant on Bulima-Kabwoya (69 km) and the contractor on Kyenjojo-Fort Portal Road (50km).

Stone pitching works at 98+028 on Kyenjojo-Kabwoya Road

Laying of first seal at km 63+045 on Kyenjojo-Kabwoya Road

A section of laid asphaltic concrete surface at km 37+000 on Kyenjojo-Fort Portal Road

A box culver at 1+500 on Kashenyi–Mitooma (11.53Km)

A completed section of Mukono-Katosi/Nyenga section at 7+800 from Kisoga towards Nyenga

Power lines pending relocation along Bulima–Kigumbe road at km 11++000

Key Implementation challenges

- Delayed acquisition of the right of way on most of the upgrading projects.
- Insufficient and inadequate designs especially for rehabilitation projects which lead to substantial change in scope of works thus calling for additional resources.
- Heavy rains that disrupted execution of planned works.
- Failure by UNRA and URA to harmonize the implementation of VAT payments which affected progress of works on projects such as Kabwoya-Kyenjojo (100km).

Conclusion

The overall the performance of the NRC/R programme was good at 76.6%. Failure to meet semi-annual targets was mainly attributed to the heavy rains experienced in Q2 and delayed land acquisition. These shortfalls in the semi-annual targets are likely to hamper the achievement of the annual targets and consequently, achievement of outcomes. Despite the above, Kashenyi–Mitooma (11.53Km) and Kitabi Seminary Access Road (0.8Km) had a very good performance of over 90%.

Recommendations

1. The GoU/UNRA should mobilize sufficient funds for full compensation of the PAPs for ongoing projects and construction contracts should only be signed after the land acquisition process is in final stages for future projects.
2. The UNRA should give enough time and resources to the project design phase before tendering of projects. Reviewing of designs whose projects have not been implemented within two years should be carried out before tendering of works.
3. The UNRA/ URA should harmonise the VAT guidelines such that project cash flows are not affected leading to delayed execution of works.

12.2.3 Uganda Road Fund (URF – Vote 118)

The fund was set up to enable steady and reliable funding for routine and periodic maintenance of public roads mainly from road user charges. The fund derives its mandate from section 6 of the URF Act 2008. It is mandated to collect road user charges (RUCs) and manage the funds collected to finance road maintenance programmes.

The public roads network is managed by 170 Designated Agencies (DAs), comprising of 127 districts, 41 municipalities, and two authorities (KCCA and UNRA). The districts oversaw Town Councils and Sub-counties as their sub-agencies. The DAs and sub-agencies collectively look after a total of 147,532km of public roads, made up of 21,188km of national roads under UNRA management; 2,103km of KCCA roads; 35,566km of district roads; 7,554km of urban roads under town councils; 2,554km of urban roads under municipal councils; and 78,567km of Community Access Roads (CARs) managed by sub-counties.

The Designated Agencies employed a mix of force account and contracting to deliver planned works. Since FY2012/13, there has been a policy emphasis towards the use of force account to maintain the District, Urban and Community Access Road (DUCAR) network. This policy has since been buttressed by the distribution of a fleet of road equipment first from China in FY2012/13 and most recently in FY2017/18 from Japan. The equipment received mainly included: a grader, a tipper, wheel loader and roller for each local government.

This Vote has two programmes namely: The District, Urban and Community Access Roads (DUCAR) Maintenance Programme, and National Roads Maintenance Programme (NRMP). These two programmes were monitored for the semi-annual performance in the FY 2019/19.

Financial performance

The vote has an approved budget of Ug shs 542.517 billion in FY 2018/19. This is Ug shs 125.123 billion more than the Ug shs 417.394billion in FY 2017/18 (equivalent to 30% budget increase). By end of Q2 FY 2018/19, a total of Ug shs 290.946 billion (53.6%) was released and Ug shs 288.740 billion (99.2%) spent. This was a very good financial performance because more than half of the budget was released by the end of Q2 and almost all the funds were absorbed. Table 12.11 shows the performance of the Vote by the end of December 2018.

Table 12.11: Semi-Annual Financial Performance of URF FY2018/19

		Approved Budget (Ug shs billion)	Release (Q1-Q2) (Ug shs billion)	Spent (Q1-Q2) (Ug shs billion)	% Budget released	% Budget Spent	% Release Spent
Recurrent	Wage	2.667	1.334	1.268	50.0	47.5	95.1
	Non-wage	532.980	286.477	285.670	53.8	53.6	99.7
Development	GoU	6.870	3.135	1.802	45.6	26.2	57.5
Total GoU		**542.517**	**290.946**	**288.740**	**53.6**	**53.2**	**99.2**
Arrears		0.000	0.000	0.000	0.0	0.0	0.0
Grand Total		**542.517**	**290.946**	**288.740**	**53.6**	**53.2**	**99.2**

Source: URF Q2 FY2018/19 Performance Report

Physical Performance

The overall physical performance of the vote was rated as good. The level of achievement of the semi-annual targets was estimated at 70.5%. The performance of the DUCAR maintenance programme was estimated at 61.4%, while that of the NRM programme was at 79.5%. Overall, the implementation of the routine manual maintenance activities did not perform well in most of the agencies because these activities were stalled by difficulties in attracting and retaining road gangs.

The performance of the two programmes under the URF vote is presented as follows:

i) District, Urban and Community Access Roads (DUCAR) Programme

The DUCAR are maintained by local governments using funds from the central government under the DUCAR Programme through the URF vote and, to a limited extent using the locally generated revenue. The districts also utilize the non-conditional grants from the central government under the Local Government Management and Service Delivery (LGMSD) now referred to as Discretionary Development Equalization Grant (DDEG) since FY2016/17. The MoWT provides the collective technical support and supervision to the LGs under DUCAR.

In the FY 2018/19, the programme had an approved budget of Ug shs 214.73 billion (39.6% of approved URF budget) of which Ug shs 111.66 billion (52.0%) was released by the end of Q2. For the FY 2018/19, planned outputs[46] of the DUCAR programme were; 27,682km of routine manual maintenance, 15,224km of routine mechanized maintenance, 5,389km of periodic maintenance, installation of 6,143 culvert lines, and maintenance of 29 bridges.

[46] URF One Year Road Maintenance Plan for FY2018/19

The semi-annual monitoring of the programme in the FY 2018/19 covered 21 districts including: Adjumani, Amolatar, Amuria, Apac, Arua, Bundibugyo, Butebo, Buvuma, Dokolo, Jinja, Kakumiro, Kalangala, Kalungu, Kisoro, Kyankwanzi, Lira, Manafwa, Mayuge, Mbale, Nebbi, and Ntungamo; and 6 Municipal Councils comprising of: Soroti, Fort portal, Kabwohe-Sheema, Kira, Kisoro, and Njeru. The physical and financial performance of the monitored agencies is presented hereafter.

Overall Performance of the DUCAR Programme

The overall semi-annual performance of the DUCAR maintenance programme in FY2018/19 was fair at 61.4%. The performance was affected by failure of the DAs to execute the planned routine manual maintenance, delay in the downstream disbursement of funds to the agencies, and procurement delays. The performance of the DUCAR Programme is summarized in Table 12.12.

Table 12.12: Summary of the Semi-annual Performance of the DUCAR Programme in FY 2018/19

Sub Programmes	Output	Annual Budget (000 Ug shs)	% of Budge released	% of Release spent	Physical performance Score (%)	Remarks
Adjumani DLG	District road maintenance	1,008,655	46.8	30.0	70.3	Good performance
Amolatar DLG	District road maintenance	463,481	46.8	75.5	43.6	Poor performance
Amuria DLG	District road maintenance	312,377	46.8	58.6	28.0	Poor performance
Apac DLG	District road maintenance	622,817	46.8	97.0	77.3	Good performance
Arua DLG	District road maintenance	1,133,966	46.8	83.1	60.0	Fair performance
Bundibugyo DLG	District road maintenance	564,514	46.8	27.2	37.1	Poor performance
Butebo DLG	District road maintenance	322,401	46.8	100.0	91.3	Very good performance

Sub Programmes	Output	Annual Budget (000 Ug shs)	% of Budge released	% of Release spent	Physical performance Score (%)	Remarks
Buvuma DLG	District road maintenance	530,619	46.8	100.0	81.5	Good performance
Dokolo DLG	District road maintenance	524,517	46.8	98.2	86.0	Good performance
Jinja DLG	District road maintenance	832,179	46.8	76.9	70.0	Good performance
Kakumiro DLG	District road maintenance	559,775	46.8	75.8	100.0	Very good performance
Kalangala DLG	District road maintenance	522,880	46.8	100.0	72.6	Good performance
Kalungu DLG	District road maintenance	612,014	46.8	90.1	82.3	Good performance
Kisoro DLG	District road maintenance	556,602	46.8	84.8	87.6	Good performance
Kyankwanzi DLG	District road maintenance	423,933	46.8	100.0	57.3	Fair performance
Lira DLG	District road maintenance	685,553	46.8	51.0	70.2	Good performance
Manafwa DLG	District road maintenance	272,490	46.8	20.1	0.0	Poor performance
Mayuge DLG	District road maintenance	961,125	46.8	100.0	93.9	Very Good performance
Mbale DLG	District road maintenance	817,433	46.8	41.0	41.7	Poor performance
Nebbi DLG	District road maintenance	547,706	46.8	91.5	57.1	Fair performance
Ntungamo DLG	District road maintenance	1,009,060	46.8	75.9	69.4	Fair performance
Soroti MC	Municipal road maintenance	1,338,930	46.8	78.0	13.7	Poor performance
FortPortal MC	Municipal road maintenance	1,053,990	46.8	11.8	14.4	Poor performance

Sub Programmes	Output	Annual Budget (000 Ug shs)	% of Budge released	% of Release spent	Physical performance Score (%)	Remarks
Sheema MC	Municipal road maintenance	751,466	46.8	100.0	80.4	Good performance
Kira MC	Municipal road maintenance	2,010,571	51.4	77.0	48.2	Poor performance
Kisoro MC	Municipal road maintenance	437,193	46.8	51.8	29.0	Poor performance
Njeru MC	Municipal road maintenance	869,057	46.8	99.7	94.0	Very good performance
Overall Performance			**46.8**	**73.9**	**61.4**	**Fair Performance**

Source: Field findings and Author's compilation

Details of the performance for each of the DUCAR agencies monitored are presented below;

a) Adjumani District

The district had a total road network of 494.4 km which were all unpaved. Of these, 158km (32%) were gravel and 336.4km (68%) were earth. The approved district annual budget for road maintenance in FY 2018/19 is Ug shs 1,008,655,227, of which Ug shs 471,780,045 (46.8%) was released by 31st December 2018. Absorption of funds was poor at 30%. This was due to delays by the fuel supplier coupled with the late release of funds by URF; and IFMS technical challenges which consequently delayed payments.

The performance of the district roads maintenance programme is summarized in Table 12.13.

Table 12.13: Performance of Adjumani District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km/No.)	Cum. achieved quantity (km/No.)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	494.4	430.0	50.398	87% of the semi-annual target achieved.
Routine Mechanized Maintenance	115.6	29.3	19.916	55.5% of semi-annual target achieved. Performance was affected by delay of fuel supply by the designated supplier
Culvert Installation (m)	96	0.0		Stalled by delay in procurement
Overall weighted physical performance was 70.31%				**Good performance**

Source: Adjumani DLG Annual Workplan , Quarterly progress reports FY2018/19 and Author's Compilation

The physical performance was good (70.3%); thus the district's achievement fell short of the semi-annual targets. There was under performance of routine mechanized maintenance due to unreliable supply of fuel from the supplier. Some of the roads reported on were sampled for inspection and these were the observations;

Observations

- ***Pakele-Mirieyi Road (7km)*** **-** the scope of works was; full length grading, shaping, compaction, and road realignment at km 5+100. Pending works included spot gravelling and culvert installation. The works were carried out in September at a cost of Ug shs 17 million and the road was in a fair motorable condition.

- ***Palemoderi-Ciforo (8km)*** - the scope of works was full length grading, shaping, compaction and spot gravelling. The works were carried out towards end of Q2 and spilled over to Q3 at a budget Ug shs 19,840,000. The road was in a good motorable condition.

- ***Pakele-Fuda-Lowi (9km)*** - the scope of works was full length grading, shaping, compaction and opening side drains. The works were executed in Q1-Q2 and the road was in good motorable condition.

A gravelled section of Palemoderi-Ciforo road (8km) at Km 4+700 during RMeM

A project billboard that was installed on Pakele-Fuda-Lowi road (9km) during RMeM

b) Amolatar District

The district had a total road network of 366km, of which 3km (0.82%) was paved and 363km (99.18%) was unpaved. The district's approved annual budget for roads maintenance in FY 2018/19 is Ug shs 463,481,019 of which Ug shs 216,784,775 (46.77%) was released and Ug shs 163,615,000 (75.5%) expended by 31st December 2018. Therefore, absorption of funds was good.

The performance of the district roads maintenance programme is summarized in Table 12.14.

Table 12.14: Performance of Amolator District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	284.4	66.0	9.353	Worked for 3 months.
Routine Mechanized Maintenance	56.8	38.2	34.199	Half year target was achieved due to acquisition and utilization of the new equipment.
Periodic Maintenance	40	0	0	No works were carried out in Q1 & Q2 due to lack of an excavator.
Overall weighted physical performance was 43.55%				**Poor Performance**

Source: Amolatar DLG Annual Workplan, Quarterly progress reports FY 2018/19 and Author's Compilation

The district's semi-annual performance was estimated at 43.55%; this poor performance was grossly due to failure to execute periodic maintenance due to a delay in acquisition of an excavator from the regional mechanical workshop; and the underperformance under routine manual maintenance. It was noted however that excavation of gravel had commenced in January 2019 and periodic maintenance was set to start in Q3. Some roads were sampled for inspection and the following were the observations;

Observations

- ***Odongoyere-Anyangoga Road (6.2km)***-the scope of works was light grading, shaping, and compaction at a cost of Ug shs 6,351,057. The road was in a good motorable state, however there was need to improve the drainage by installing cross culverts and digging offshoots in order to mitigate the damage of surface runoff.

- ***Amolator-Acamulum Road (4.4km)***-the scope of works was light grading, shaping, and compaction. The works were executed in Q2 however, routine manual maintenance aspects like opening of mitre drains were not done. Overall the road was in a good motorable state.

- ***Cr. Odyak-Kitaleba Road (9km) –*** the road was worked on Q2 at a cost of Ug shs 9,219,277. The scope of work was light grading, shaping and compaction. The road was generally in a good motorable state however, it was observed that the road is at a risk of accelerated deterioration during the wet season due to lack of proper drainage structures like side drains, mitre drains, and cross culverts

A section of Amolator-Acamulum Road (4.4km) after RMeM in Q2. The road lacks proper drainage structures

Odongoyere-Anyangoga Road (6.2km)- received RMem in Q2

c) Amuria District

The district had a total road network of 93km, of which 7% was paved and 93% unpaved. The district's approved annual budget for district roads maintenance in FY 2018/19 is Ug shs 312,377,122, of which Ug shs 146,108,689 (46.8%) was released by end of Q2 and Ug shs 85,686,600 (58.6%) expended by 31st December 2018.

The performance of the district roads maintenance program is summarized in Table 12.15.

Table 12.15: Performance of Amuria District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	86	33	9.468	Only one cycle was done in Q2, there were no works in Q1.
Routine Mechanised Maintenance	17	4	18.525	Works were stalled by equipment breakdown.
Periodic Maintenance	8	0	0.00	Works were planned for Q3.
Overall weighted physical performance was 27.99%				**Poor Performance**

Source: Amuria DLG Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The achievement of the semi-annual targets was estimated at 27.9%; thus the district had a poor performance. This was attributed to a number of issues including: accumulation of maintenance backlog from FY2017/18, consequently the district concentrated on clearing the backlog during Q1 of FY2018/19; mechanical breakdown of the new motor grader in Q2 which stalled mechanized maintenance. The district worked on one road which was inspected during the monitoring and the following were the findings;

Observations

- ***Komolo-Aberilela-Eloroberito-Akoromit Road (18km)***- 10km of the road were planned for routine mechanized maintenance in the annual work plan at a budget of Ug shs 55,000,000 out of which 4km were graded in Q2 at a cost of Ug shs 31,000,000. The works stalled due to the breakdown of the grader.

A graded section of Komolo-Aberilela-Eloroberito-Akoromit Road (18km)

d) Apac District

The district had a total road network of 291.9km, of which 1.5km (0.01%) was paved and 290.41km (99.99%) unpaved. The district's approved annual budget for roads maintenance in FY 2018/19 is Ug shs 622,817,062, of which Ug shs 291,311,296 (46.77%) was released and Ug shs 282,590,762 (97.0%) expended by 31st December 2018. Therefore, absorption of funds was very good.

The performance of the district roads maintenance programme is summarized in Table 12.16.

Table 12.16: Performance of Apac District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	291.91	0.0	0.000	Planned for Q3 & Q4
Routine Mechanized Maintenance	103	66.5	77.340	Half year target was achieved due to acquisition and utilization of the new equipment.
Overall weighted physical performance was 77.34%				**Good Performance**

Source: Apac DLG Annual Workplan, Quarterly progress reports FY 2018/19 and Author's compilation

The achievement of the semi-annual targets was estimated at 77.34%; thus the district had a good performance. Some roads were sampled for inspection and the following was observed;

Observations

- ***Alenga-kungu Road (31km)***-the scope of works was medium grading, spot gravelling and culvert installation. The works were executed in Q1 at a cost of Ug shs 117,350,000. The road was in a fair motorable state; however, it was experiencing rapid deterioration due to the heavy traffic.

- ***Low cost sealing along Alenga-Kungu Road (1.5km)***-this work was executed using funding under RTI. The scope of works was swamp raising, widening of the road, installation of 900mm concrete encased culvert crossings, construction of gravel pavement layers, and a single seal of wearing course. Consequently, this has improved the road condition, mitigated flooding in the swamp section and reduced maintenance cost at the swamp.

A section of Alenga-kungu Road (31km)) after RMeM in Q1

Low cost sealing of 1.5km along Alenga-Kungu road

e) Arua District

The district had a total road network of 643.5km which was all unpaved. The district's approved annual budget for road maintenance for FY2018/19 is Ug shs 1,133,966,001, of which Ug shs 530,391,869(46.77%) was released by 31st December 2018. Absorption of funds was good at 83.1% of the total release. The performance of the district roads maintenance programme is summarized in Table 12.17.

Table 12.17: Performance of Arua District Roads Maintenance Programme by 31st December, 2018

Output	Annual target (km/No.)	Cum. achieved quantity (km/No.)	Weighted physical performance (%)	Remarks

Output	Annual target (km/No.)	Cum. achieved quantity (km/No.)	Weighted physical performance	Remarks
Routine Mechanised Maintenance	93.5	60.2	28.005	100% of the semi-annual target achieved.
Routine Manual Maintenance	643.52	594.5	31.998	Manual maintenance was only carried out in Q2.
Bridges (Box Culverts)	2	0	0	Target not achieved. There was delay in procurement of the contractor for the works.
Overall weighted physical performance was 60%				**Fair Performance**

Source: Arua DLG Annual Work plan; Quarterly progress reports Q1 & Q2 FY 2018/1,9 and Author's compilation

The performance of the district was fair (60%). The key achievement was routine mechanized maintenance of 60.2km of the district network. Performance was affected by delay in finalization of the procurement of the contractor for construction of the box culverts. Field inspection of some roads reported on was carried out and the following were observed;

Observations

- ***Odramacaku-Aroi Road (15.4km)***-the scope of works was heavy grading, shaping, and opening mitre drains at a cost of Ug shs 60,813,000 against a budget of Ug shs 50,000,000. The road was in a good motorable condition.

- ***Awindiri-Ajono Road (4.8km)*** - this road was not in the annual work plan but due to the severe erosion of Enyau bridge approaches, emergency works had to be done to protect the bridge. The scope of works was heavy grading, shaping, compaction, construction of gabions downstream of the bridge, back filling, and gravelling at the approaches. The works commenced in Q2 and spilled over to Q3 at a total cost of Ug shs 31,051,000.

A graded section of Odramacaku-Aroi road (115.4km) at Odramacaku town

f) Bundibugyo District

The district has a road network of 349km, of which 80km (29.7%) are unpaved gravel and 269km (77%) are unpaved earth. The district has an annual budget of Ug shs 564,514,377 for maintenance of roads in FY 2018/19 of which Ug shs 264,041,281 (46.77%) was released and Ug shs 71,838,750 (27.21%) expended by 31st December 2018. Table 12.18 shows a summary of the physical performance of the district.

Table 12.18: Performance of Bundibugyo District Roads Maintenance by 31st December 2018.

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted physical performance (%)	Remark
Routine Manual Maintenance	50.0	50.00	13.34	This was carried out only in Q1.
Routine Mechanised Maintenance	60.0	15.80	23.75	Only about 25% of the planned works was carried out.
Periodic Maintenance	2.0	0.00	0.00	No works were executed
Culverts (lines)	22.0	0.00	0.00	No works were executed
Overall weighted performance was at 37.08%				**Poor Performance**

Source: Bundibugyo district Annual Work plan; Quarterly progress reports FY 2018/19 and Author's compilation

The district achieved 37.08% of the semi-annual targets, hence a poor physical performance. This was due to the fact that the funds were not accessible in Q1 on the IFMS due to lack of expenditure lines. Hence, both Q1 and Q2 funds were accessed almost at the same time and hence, the works rolled over to Q3.

Other sources of funding

The district benefited from DDEG funding of Ug shs 90.038 million. The funds were used for rehabilitating Manjuguja drift bridge.

Observations

- ***Mamowa Drift Bridge along Bumadu-Katumba road (7km***) - The works were budgeted at Ug shs 48,427,000 and were in progress. Two lines of Armco culverts were placed and headwall construction was ongoing where reinforcement and formwork was set.
- ***Hakitengya Buhanda Road (7km***) – The scope of works was pothole patching, grading, spot gravelling and drainage works budgeted at Ug shs 20,490,000. The only grading works on a 3km section were executed at 100% expenditure and the road was in a fair motorable condition. However, there were loose clayey soils at 1+400. A drift was also installed at km 3+500 along this road of three lines of Armco culverts.

Mamowa Drift Bridge along Bumadu Katumba road

A bridge drift along Hakitenngya-Buhamba Road at 3+500

g) Butebo District

The district has a total road network of 245km which was all unpaved. Of these, 164.3km (67.1%) were gravel and 80.7km (32.9%) earth. The district's approved annual budget for district roads maintenance in FY 2018/19 is Ug shs 322,400,536, of which Ug shs 150,796,957 (46.8%) was released and Ug shs 150,796,958 (100%) expended by 31st December 2018.

The performance of the district roads maintenance programme is summarized in Table 12.19.

Table 12.19: Performance of Butebo District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km/No.)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	164.3	82.2	8.707	Executed one cycle out of the two planned.
Routine Mechanised Maintenance	45.6	29.0	71.029	Performance was very good at 100% of the semi-annual target.
Bottleneck improvement	2	2	11.558	Semi-annual target achieved.
Overall weighted physical performance was 91.29%				**Very Good Performance**

Source: Butebo DLG Annual Work plan and Quarterly progress reports FY 2018/19 and Author's compilation

The achievement of the semi-annual targets was estimated at 91.3%; thus the district had a very good performance. The district achieved all the planned outputs for routine mechanised maintenance and bottleneck improvement. The monitoring team visited some of the road maintenance works that had been undertaken and these were the observations;

Observations

- ***Kabwangasi-Banda Road (6 km)***-the road was worked on under routine mechanized maintenance in Q1 and the scope of works was; grading, shaping, and drainage improvement. The works were executed at a cost of Ug shs 23,535,000. The road was generally in a good motorable condition; however, there is need open mitre drains to drain water off the road during the rainy season.

- ***Petete-Kachooha-Radio Road (6.8km)***-the road received routine mechanized maintenance in Q1. The scope of works was; grading, shaping, and compaction. The road was in a good condition.

Kabwangasi-Banda Road (6 km) after RMeM in Q1 FY2018/19

Petete-Kachooha-Radio Road (6.8km) worked on under RMeM

h) Buvuma District

Buvuma district consists of 52 islands. The district has a road network of 120km, of which 60km (50%) are unpaved gravel and 60km (50%) unpaved earth. The district roads are mainly on Buvuma, Bugaya and Bwema islands which take up 82km, 20km and 25km respectively. The annual approved budget for the district roads maintenance for FY 2018/19 is Ug shs 530,618,596, of which Ug shs 248,187,149 (46.8%) was released and all (100%) spent by 31st December 2018. Table 12.20 shows a summary of the physical performance of the district.

Table 12.20: Performance of Buvuma District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	470	232.4	31.43	Works were executed in Q1 and Q2
Periodic Maintenance	25	11.0	67.21	Two roads of total length to 14.5km out of four budgeted for of 25km.)
Maintenance of bridges/culverts and Road safety activities	2	0.0	1.4	No works were executed
Overall weighted performance was at 81.54 %				**Good Performance**

Source: Buvuma District Annual workplan, Quarterly progress reports FY2018/19, and Author's compilation

The district achieved 81.54% of the semi-annual targets, hence a good physical performance. This was due to the fact that it received 46.8% of its annual budget and utilized it on 65% of the budgeted network under the periodic maintenance category which is on the mainland. This was in addition to making use of the newly acquired road maintenance equipment from Japan.

Observations

- ***Kikonge – Katuba road (9km)*** – The scope of works for this road in Buwoya sub-county was grading, shaping and compaction of the entire road section and spot gravelling at a budget of Ug shs 55,000000. Grading of the entire road section had been done and the spot gravelling activity was still on going by February 2019. The graded and shaped sections were motarable with a good riding surface. The total expenditure on the road works by the end of December 2018 was Ug shs 55,301,000 (100.6% of the budget).

Graving of Kikonge – Katuba road (9km) road in Buwoya Sub County Left: Km 0+300; Right: Km 5+000

i) Dokolo District

The district has a total road network of 339.6km, of which 4.8km (1.4%) was paved and 334.8km (98.6%) unpaved. The district's approved annual budget for district roads maintenance in FY 2018/19 was Ug shs 524,517,478, of which Ug shs 245,333,462 (46.77%) was released and Ug shs 240,833,462 (98.2%) expended by 31st December 2018. Therefore, absorption of funds was very good.

The performance of the district roads maintenance programme is summarized in Table 12.21.

Table 12.21: Performance of Dokolo District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	68.5	0.0	0.000	No works were carried out. Activity planned for Q3 & Q4
Routine Mechanized Maintenance	50	24.0	71.627	Half year target was achieved
Emergency works	2	2	14.348	Target achieved

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
(No.) on Adagnyeko-Abakuli road (11km)				
Overall weighted physical performance was 85.98%				**Good Performance**

Source: Dokolo DLG Annual Workplan, Quarterly progress reports FY 2018/19, and Author's compilation

The semi-annual achievement of the targets was estimated at 85.98%; thus the district had a good performance. This was attributed to the acquisition and utilization of the new Japanese road equipment unit from MoWT. However, there were no routine manual maintenance works done on the district road network. Findings from some of the sampled roads for inspection are detailed below;

Observations

- ***Apenyoweo-Yodak-Regprego Road (8km)***-the scope of works was medium grading, gravelling for 3km, swamp filling and raising a 1.2km swamp, widening, installation of 7lines of Armco culverts, and river training at a cost of Ug shs 30,000,000. The pending works included: grading of the swamp section and gravelling of 4km of the road and construction of headwalls on the Armco culverts.
- ***Adwoki-Bata (10km)***-the scope of works was light grading, shaping, compaction in some sections and bush clearing. The works commenced in Q2 and spilled over to Q3. By the end of Q2, Ug shs 40,000,000 was expended for maintenance works on the road. The road was generally in a good condition. It was noted however, that some of its sections had deteriorated because they were not compacted due to the mechanical breakdown of the vibro roller.

A 1.2km swamp section of Apenyoweo-Regprego road that was raised and installed Armco culverts in Q2

A section of Adwoki-Bata Road (10km) that had deteriorated because it was not compacted during RMeM in Q2

j) Jinja District

The district has a total road network of 204 km, of which 11.0km (5.4%) were paved, 93.9km (46.0%) gravel, and 99.1km (48.6%) earth. The district's approved annual budget for roads maintenance in FY 2018/19 was Ug shs 832,179,000, of which Ug shs 389,236,518 was released and Ug shs 299,425,492 (76.9%) expended by 31st December 2018. Therefore, absorption of funds was good.

The performance of the district roads maintenance programme is summarized in Table 12.22.

Table 12.22: Performance of Jinja District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. achieved quantity (km)	Weighted physical performance (%)	Remarks
Routine Manual Maintenance	147	147	7.507	One cycle was executed
Routine Mechanised Maintenance	30.6	0	0.000	Works planned for Q3.
Periodic Maintenance	39.7	27	62.092	Semi-annual target achieved.
Overall weighted physical performance was 70.0%				**Good Performance**

Source: Jinja DLG Annual Workplan; Quarterly progress reports FY 2018/19, and Author's compilation from the field

The weighted physical performance was estimated at 70% of the semi-annual targets which is a good performance. The physical performance was commensurate with the funds absorption of 76.9%. Some roads were sampled for inspection and the following were the observations:

Observations

- **Kabowa-Budiima Road (21.4km):** the road was planned for periodic maintenance in Q1 at a budget of Ug shs 223,676,000. Works commenced in Q1 and spilled over to Q2&Q3 due to delays in sourcing gravel. By January 2019, gravelling works were ongoing at several sections of the road. Overall the road was in a good motorable condition as a result of grading works that were done in Q1.

- **Buwekula-Wanyange Road (5.6km)**: the road received periodic maintenance in Q2 at a cost of Ug shs 30,000,000 against a budget of Ug shs 58,532,000. The scope of work was medium grading, shaping, compaction and drainage works. Spot gravelling and installation of culverts were pending.

Kabowa-Budiima Road (21.4km): light grading ongoing in preparation for gravelling works

Buwekula-Wanyange Road (5.6km) after periodic maintenance done in Q2 FY 2018/19

k) Kakumiro District

The district has a road network of 256km which was all unpaved earth. It has an approved budget of Ug shs 559,775,000 under URF for maintenance of roads in FY 2018/19. A total of Ug shs 261,824,504 (46.77%) was released and Ug shs 198,352,000 (75.76%) expended by 31st December 2018. Table 12.23 shows a summary of the physical performance of the district.

Table 12.23: Performance of Kakumiro District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	880	440.0	54.41	The works were executed in Q1 and Q2 to 100% completion.
Routine Mechanised Maintenance	106	56.0	45.59	The semi-annual target was achieved as about 70% of the roads planned for in the annual work plan were graded and shaped. However, regravelling and drainage was not carried out on some roads.
Overall weighted performance was at 100 %				**Very Good Performance**

Source: Kakumiro District Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The district achieved 100% of the semi-annual targets, hence a very good physical performance. This was attributed to the good budget release which was utilized to grade and shape the roads in the work plan.

<u>Other sources of funding</u>

The district benefited from the Transitional Road Rehabilitation Grant from MFPED through MoWT where it had an annual budget of Ug shs 708,500,000 of which Ug shs 472,335,046 (66.67%) was released and Ug shs 150,001,001 (31.76%). These funds were mainly used for opening up of roads, grading, shaping, compaction, and drainage improvement. Table 12.24 shows the utilisation of the grant in the district.

Table 12.24: Financial performance of the Transitional Road Rehabilitation Grant in Kakumiro District by 31st December 2018

Breakdown	***Budget***	***Release***	***Expenditure***
Road Rehabilitation Grant	608,700,000	405,783,038	90,338,000
Road Rehabilitation Grant Operation Costs	39,800,000	26,545,230	20,834,230
Road Rehabilitation Grant Mechanical Imprest	60,000,000	40,006,778	46,231,000
Total	**708,500,000**	**472,335,046**	**157,403,230**

Source: Kakumiro District

The money was to be utilised on a total of 106km. A total of 15km (14.15%) was achieved which was a poor performance against the release This was attributed to the delayed approval of the work plans through the MoWT, hence, the works rolled over to the next half of the FY. Works on two roads were executed under this intervention that is Mpanga-Nyamacumu-Kisojo (5km) and Nalweyo-Kigwerige-Kiryamasasa (10km).

Observations

With the new road equipment, the achieved road network under mechanized maintenance was increased by 165% from that planned 40km to 106km. This was due to the fact that the district had achieved 97.2km in FY 2017/8 after acquisition of new road equipment.

URF

The scope of all roads was grading, shaping, compaction, spot gravelling and drainage improvement works.

- ***Munsa-Nkondo Road (11km)*** – The road in Kasambya sub-county had a budget of Ug shs 21.09 million for grading, shaping, spot gravelling and drainage improvements. Only bush clearing, grading and shaping of 10km were carried out in Q2 at Ug shs 5.93 million. The road was fairly motorable.

MFPED Road Rehabilitation Grant

- **Nalweyo-Kigwerige-Kiryamasasa (10km) -** The scope of works under rehabilitation involved bush clearing and opening, grading, major drainage works and installation of sign posts. Grading and shaping had been carried out on 8km road section while a 2km section had been opened at Ug shs 38.51 million while culvert replacement on some sections was pending. The road was fairly motorable.

A section of Munsa- nkondo Road at km 6+000

A section of Nalweyo-Kigwerige-Kiryamasasa road at km 0+000

l) Kalangala District

The district has a road network of 85km, of which 59km (70%) are unpaved gravel and 26km (30%) unpaved earth. Kalangala has about 84 islands with 64 having human inhabitants. The district has an annual budget of Ug shs 522,880,324 for maintenance of roads in FY 2018/19 of which Ug shs 244,567,714 (46.77%) was released and all (100%) expended by 31st December 2018. Table 12.25 shows a summary of the physical performance of the district.

Table 12.25: Performance of Kalangala District Roads Maintenance Programme by 31st December 2018

Out put	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	47.0	24.10	20.27	These were carried out in Q1 and Q2 and take place on other sub-islands.
Routine Mechanised Maintenance	38.0	12.00	52.28	All the 38km were graded but spot gravelling and culvert installation was not done. These were set to take place on the main island.
Culverts	10.0	0.00	0.00	No works were executed
Overall weighted performance was at 72.55 %				**Good Performance**

Source: Kalangala District Annual work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The district achieved 72.55% of the semi-annual targets, hence a good physical performance. This was due to the fact that the funds were spread to cover works on all roads planned in the annual year. However, the scope was not fully addressed especially gravelling and drainage works.

Other sources of funding

The district benefited from the local government revenue where they received Ug shs 450,000.

Observations

The scope of work under the URF mechanised maintenance of the roads enlisted below was grading, spot re-gravelling and drainage works.

- ***Bumangi-Njoga Road (7km***) - The works were budgeted at Ug shs 53,000,000. Only grading works were executed at Ug 22,700,000 (42.83%) and the road was in a fair motorable condition.
- ***Kibaale-Kasekulo-Tubi Road (10km***) – the road works were budgeted at Ug shs 75,715,000. The only grading works were executed at Ug 18,400,000 (24.3%) and the road was in a fair motorable condition but it was deteriorating in some sections.
- ***Kagolomolo-Bbanga Road (3km***) - The works were budgeted at Ug shs 28,201,000. Grading works, shaping and spot gravelling from a section of 0.5km were executed at Ug 15.6 million (55.3%) and the road was in a fair motorable condition.
- ***Lusozi-Buziga Road (5km***) - The works were budgeted at Ug shs 41,635,000. Grading and shaping works were executed at Ug 18,500,000 (44.43%) and the road was in a fair motorable condition.

Unique challenges of the district

- The district being an isolated one requires an independent low bed to avoid quick deterioration of road equipment and easy transportation.
- Heavy rains lead to quick growth of vegetation.
- Most of the land was leased to a private investor hence, acquisition of gravel is difficult.
- Execution of road gang activities is at times impractical due to the nature of settlement. Most settlements are around the forested areas hence; workers are hard to attract.

A section of Bumangi-Njoga Road at 5+100 A section of Lusozi-Luziga Road at 0+000

m) Kalungu District

The district has a road network of 478.04km, of which 175.29km (36.67%) are unpaved gravel and 302.75 km (63.33%) unpaved earth. The district has an annual budget of Ug shs 612,013,671 for maintenance of roads in FY 2018/19, of which Ug shs 286,258,208 (46.77%) was released and Ug shs 257,994,360 (90.13%) expended by 31st December 2018. Table 12.26 summarizes the physical performance of the district.

Table 12.26: Performance of Kalungu District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	335.7	108.60	3.99	These were carried out only in Q1.
Routine Mechanised Maintenance	100.5	39.40	66.48	Only about 25% of the planned works was carried out.
Culverts (lines)	250.0	150.00	11.83	No works were executed
Overall weighted performance was at 82.3%				**Good Performance**

Source: Kalungu District Annual Workplan, Quarterly progress reports FY 2018/19 and Author's compilation

The district achieved 82.3% of the semi-annual targets, hence a good physical performance. However, late release of road funds made some activities spill over to Q3.

Observations

- ***Nabutongwa-Kalungu (3.5km):*** The road in Kalungu sub-county was graded and shaped in Q1 with spot gravelling being done in Q2. Drainage improvement of installation of an access culvert line with 600mm diameter concrete pipes at Km 0+000 was also done in Q1 and the headwalls constructed in Q2. The road had a budget of Ug shs 33.145 million and works were executed at a cost of Ug shs 44.531 (134% of budget). The road surface was in good condition and motorable.
- ***Kaliro-Nabutongwa-Bwasandeku road (11km):*** The road in Kalungu sub-county was graded in Q1 and spot graveled in Q2. The road surface was motorable and in good condition and the sections which had been spot graveled were intact. However, notable were side drains which had over grown grass. This was attributed to eliminating the roads under routine mechanised maintenance from routine manual maintenance activities. The road had a budget for Ug shs 50 million and works were executed at Ug shs 50.868 million (102% of budget).
- ***Kyamulibwa-Kinoni-Lusango (15km):*** The road in Kyamulibwa and Bukulula sub-counties had a budget of Ug shs 26.680 million for grading and drainage improvement works. The entire road section was graded in Q2 and the surface was fairly motorable. However, the road was dusty because during grading, watering was not done as the water bowser was faulty. An access culvert using concrete pipes of 600mm diameter was

installed at Km 15+000. The road works were completed at a cost of Ug shs 26.150 million (98% of the budget).

Nabutongwa-Kalungu road (3.5km): A well graded road section with over grown grass in the side drains at Km 2+800

Kyamulibwa-Kinoni-Lusango (15km): A well graded but dusty section at Km 0+000

n) Kisoro District

The district has a road network of 307.2km of which 61km (20%) are unpaved gravel and 246.2km (80%) are unpaved earth. The district's annual budget for maintenance of roads in FY 2018/19 is Ug shs 556,601,777 of which Ug shs 260,340,307 (46.77%) was released and Ug shs 220,854,000 (84.8%) expended by 31st December 2018. Table 12.27 shows a summary of the physical performance of the district.

Table 12.27: Performance of Kisoro District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	307.2	159.55	49.61	These were carried out in Q1 and Q2.
Routine Mechanised Maintenance	88.7	48.00	37.94	Works were carried out on one roads in Q1 and two roads in Q2
Maintenance of bridges/culverts and Road safety activities	1.0	0.00	0.00	No works were executed
Overall weighted performance was at 87.55 %				**Good Performance**

Source: Kisoro District Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The district achieved 87.55% of the semi-annual targets, hence a good physical performance; which was attributed to the utilisation of the newly acquired Japanese road equipment unit from the MoWT.

Other sources of funding

The district also received funding from United Nations High Commissioner for Refugees (UNHCR) totaling to Ug shs 87 million for the routine mechanised maintenance of Kabindi-Muramba-Bunagana (22.4km) in Q1.

Observations

UNHCR

- ***Kabindi-Muramba-Bunagana (22.4km)*** – This road traverses Nyakabande and Chaiuha sub-counties. The routine mechanised maintenance activities of light grading of the entire road section and spot gravelling works were carried out in Q2 at Ug 87 million (100% of the budget). The road was motorable with a good riding surface.

URF

- ***Kanaba-Kateriteri-Kabahunde road (16km***) –The scope of works involved grading of the entire roads section and spot gravelling at a cost of Ug shs 50 million. The works were carried out in Q1. The road was in a good condition with a motorable surface which was hardly generating dust, a sign that compaction had been well done. The total expenditure on the road by 31st December 2018 was Ug shs 39.750 million (80% of budget).
- ***Mwaro-Busenge-Kinanira road (17km***) - The scope of works involved grading of the entire roads section and spot gravelling at a cost of Ug shs 30 million. The works were executed in Q2 in the months of November and December 2018. The road was motorable however, the surface in some sections was bumpy while in other gullies had developed. This was owed to carrying out the grading works during the rainy season and surface runoff. The total expenditure on the road by 31st December 2018 was Ug shs 25 million (83% of budget).

A well compacted section of Kanaba-Kateriteri-Kabahunder road (16km) at km 5+500

A section of Mwaro-Busenge-Kinawara (17km) where bricks and felled logs are obstructing the road side drain at Km 0+900

Challenges

i) The district has a mountainous terrain and thus requires specialised equipment like truck loaders and excavators since it experiences landslides.

ii) There is no gravel in the district and thus roads works are carried out using volcanic lava ash soils mixed with red soils. This necessitates these roads to undergo more routine interventions which increases the unit cost of maintenance.

iii) Lack of road supervision transport – vehicles and motorcycles.

o) Kyankwanzi District

The district has a road network of 369km, of which all are unpaved. It has an approved budget of Ug shs 423,933,298 for maintenance of roads in FY 2018/19. A total of Ug shs 198,287,051 (46.77%) was released and Ug shs 146,999,000 (74.13%) expended by 31st December 2018. Table 12.28 shows a summary of the physical performance of the district.

Table 12.28: Performance of Kyankwanzi District Roads Maintenance Programme by 31st December 2018

Out put	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	379	0.0	0.000	These were only planned to be executed in Q4.
Routine Mechanised Maintenance	45	31.3	57.263	A total of 31.3km out of planned annual was maintained.
Maintenance of bridges/culverts and Road safety activities	36	74.6	0.000	No works were carried out.
Overall weighted performance was at 57.26 %				**Average Performance**

Source: Kyankwanzi District Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The district achieved 57.26% of the semi-annual targets, hence a fair physical performance.

<u>Other sources of funding</u>

The district benefited from the District Discretional Equalisation Grant (DDEG) and local revenue. The total budget of these two funds was Ug shs 67 million. Of this, 70.1% was DDEG and 29.9% Local Revenue. By 31st December 2018, 100% and 75% of the DDEG and Local Revenue funds were released and expended. A summary of the sources of funding is illustrated in table 12.29.

Table 12.29: Breakdown of the other Funding Source for Roads Maintenance in Kyakwanzi District by 31st December 2018

Funding Sources	Budget (Ug shs)	Release (Ug shs)	Expenditure (Ug shs)
DDEG	47,000,000	47,000,000	47,000,000
Local Revenue	20,000,000	15,000,000	15,000,000
Total	**67,000,000**	**62,000,000**	**62,000,000**

Source: Kyankwanzi District

The funds were utilized on Kyanga-Kyamdindi-Kyamulalama road (10km) in Gayaza sub-county. The scope of works involved bush clearing, heavy grading, offshoot construction and spot gravelling at a budgeted cost of Ug shs 60 million.

Observations

<u>DDEG and Local Revenue</u>

- ***Kyanga-Kamdudindi-Kamulama road (10km)*** –The works were executed in Q2 at Ug 67 million (112% of budget). The road had a fair motorable surface with rutting developing in some sections. The low lying areas along the road required more culvert lines and some sections with loose soil need more gravel. The sections that had received gravel were visible and it was still intact. However, the road sides had outgrown grass an indication that routine manual maintenance along the road was due.

<u>URF</u>

- ***Butambuka-Guwe-Kitwala Road (15km***) – The scope of works of the road in Ntwetwe and Gayaza sub-counties was bush clearing, heavy grading, offshoot construction, and spot gravelling at Ug shs 78 million. The works were executed in Q2 at Ug 77million (98.98%) and the road was in a fair motorable condition. Two lines of 600mm diameter culverts were installed with end structures constructed at Km 5+700 and 7+000.

A section of Kyanga-Kamudindi-Kamulama Road

A culvert installed at 9+900 along Butambuka-Guwe-Kitwala Road

p) Lira District

The district had a total road network of 516.6 km, of which 6.4 km (1.2%) were paved and 510.1 km (98.8%) unpaved. Of these unpaved roads, 136km (26.7%) were gravel and 374.1 (73.3%) were earth. The district's approved annual budget for district roads maintenance in FY 2018/19 was Ug shs 685,552,000, of which Ug shs 320,654,687 (46.77%) was released and Ug shs 163,615,000 (64.4%) expended by 31st December 2018. Therefore, absorption of funds was fair due to delays in payments of service providers for the inputs already used on the roads. The performance of the district roads maintenance programme is summarized in Table 12.30.

Table 12.30: Performance of Lira District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	441	0.0	0.000	Planned for only Q4 due to inadequate funds.
Routine Mechanized Maintenance	30.2	0.0	0.000	Stalled due to lack of adequate equipment
Periodic Maintenance	43.1	33.1	70.241	Target achieved
Bridges (improvement of Bridge approaches 5.6km)	5.6	0.0	0.00	Planned for Q3
Overall weighted physical performance was 70.24%				**Good Performance**

Source: Lira DLG Annual Workplan, Quarterly progress reports FY 2018/19 and Author's compilation

The achievement of semi-annual targets was estimated at 70.24%; thus the district had a good performance. However, the planned mechanised maintenance was stalled because the equipment was fully engaged on periodic maintenance activities. Findings from some of the sampled roads for inspection are detailed below;

Observations

- ***Bar Junction-Corner Amach Road (24.3km)***-the scope of works was bush clearing, medium grading, reshaping, and compaction. The pending works were gravelling and drainage improvement. The road was in a good motorable state and gravelling works were ongoing at the time of the field inspection.

Graded section of junction-Corner Amach Road awaiting gravelling works

Gravelling works at km 8+400 along Bar junction-Corner Amach Road

a) Manafwa District

The district had a total road network of 204.7km which was all unpaved. Of these, 20.3km (10%) were gravel and 184.4km (90%) earth. The district's approved annual budget for road maintenance in FY 2018/19 was Ug shs 272,489,968, of which Ug shs 127,452,202 (46.8%) was released by 31st December 2018.

Absorption of funds was poor at 20.1%. The poor absorption was attributed to the fact that the district equipment was engaged on town council roads and as such no works were executed during the first half of the FY on the district network. The only available district equipment is shared between the three (3) town councils and fifteen (15) sub-counties making timely execution of the work plan extremely hard. Table 12.31 shows a summary of the physical performance of the district.

Table 12.31: Performance of Manafwa District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	82.9	0	0	No work was done in Q1 & Q2
Routine Mechanized Maintenance	35.7	0	0	No work was done in Q1 & Q2
Overall weighted physical performance was 0%				**Poor Performance**

Source: Manafwa DLG Annual Work plan, Quarterly progress reports FY 2018/19 and Author's Compilation

Despite the poor performance for the first half of the financial year, the district commenced maintenance works in Q3 of FY2018/19. One of the roads undergoing routine mechanized maintenance in Q3 was inspected and the following was observed;

Observations

- ***Bukhaweka-Butiru Road (8.6km)*** **–** work commenced in Q3 and it involved grading of the entire road and gravelling of 3km. The pending work was installation of 4lines of armco culverts. Overall the road was in a good motorable condition.

q) Mayuge District

The district had a total road network of 475.7km which was all unpaved. The district's approved annual budget for the road maintenance in FY 2018/19 was Ug shs 961,124,957, of which Ug shs 449,548,630 (46.77%) was released by 31st December 2018. Absorption of funds was very good at 100%. The performance of the district roads maintenance programme is summarized in table 12.32.

Table 12.32: Performance of Mayuge District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	200.8	200.8	26.152	2 cycles were executed.
Routine Mechanized Maintenance	45.44	20.99	61.496	Semi-annual target achieved.
Emergency works for maintenance of Bufulubi-Bukomya–Mayuge Road 6.6km	6.6	3.6	6.203	Graded the entire road and graveled 3km.
Overall weighted physical performance was 93.85%				**Very Good Performance**

Source: Mayuge DLG Annual Workplan, Quarterly progress reports FY2018/19 and Author's compilation

The weighted physical performance of the district was estimated at 93.85% of the semi-annual target, hence a very good physical performance. The very good performance was attributed to the acquisition of the new set of equipment from MoWT with better reliability and output. Absorption of funds was commensurate to the physical performance. Some roads were sampled for inspection and the following were observed;

Bufulubi-Bukomya-Mayuge Road (6.6km) – The road was worked on using emergency funding with a budget of Ug shs 50million, out of which Ug shs 25million was received by end of Q2. The scope of works carried out by January 2019 included: grading, shaping of the entire road, gravelling of 3km, and installation of 3lines of 900m culverts out of the six lined planned. The works on the road commenced in Q1 and were ongoing. It was also observed that the district road network is generally plied by heavy trucks felling sugar canes to the Mayuge Sugar Factory which break the installed culverts and accelerate the deterioration of the roads.

Kityerera-Kibungo Road (9.59km) – The road had an annual budget of Ug shs 114.72million, of which Ug shs 66.8million was expended by the end of Q2. The scope of works involved grading and drainage improvement which were done in Q1 and Q2. Regravelling of the road and culvert installation were planned for Q3. The road was in a fair motorable condition however, there was a challenge of blockage of side drains with farm waste from sugarcane growers.

A graveled section of Bufulubi-Bukomya-Mayuge Road (6.6km) that was worked on under emergency works in Q1 & Q2

Kityerera-Kibungo Road (9.59km) that was graded under RMeM in Q2

b) Mbale District

The district had a total road network of 261.5km, comprising of 6km of paved roads and 255.5km of unpaved roads. Of these, 238km (93.1%) were gravel and 17.5km (6.9%) earth. The district's approved annual budget for district roads maintenance in FY 2018/19 was Ug shs 817,432,752, of which Ug shs 382,339,228 (46.8%) was released and Ug shs 156,755,000 (41%) expended by 31st December 2018. The low absorption of the releases was significantly caused by the delay in the constitution and approval of the district contracts committee which stalled the procurement process.

The performance of the district roads maintenance programme is summarized in table 12.33.

Table 12.33: Performance of Mbale District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	159	42.55	9.196	Poor performance – work commenced in December due to delayed recruitment of road gangs.
Routine Mechanised Maintenance	71.2	28.5	18.301	Performance was good at 80% of the semi-annual target.
Periodic Maintenance	42.55	6	14.161	Works were affected by delays in procurement.
Overall weighted physical performance was 41.66%				**Poor Performance**

Source: Mbale DLG Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The achievement of the semi-annual targets was estimated at 41.7% of the semi-annual target; thus the district had a poor performance. This was attributed to the underperformance of periodic maintenance (at 14% of the target) as a result of delayed procurement. Some roads reported on were sampled for inspection and the findings are as below;

Observations

- ***Namwalye-Mulatsi Road (7.6 km)***-the road was worked on under routine mechanized maintenance in Q2 and the scope of works was; grading, shaping, an opening of mitre drains. In addition, 600m of the road was widened. The road was generally in a good motorable condition; however, it required more cross culverts to improve drainage.

- ***Lwaboba-Kangole Road (6.8km)***-the road received routine mechanized maintenance in Q1. The scope of works was; grading, shaping, opening mitre drains and desilting culverts. The road was in a good condition.

- ***Mulatsi-Bukiende Road (7.1km)***- Works on this road were part of the periodic maintenance component of the annual. Works were underway by January 2019. The works involved installation of 1.2m diameter Armco culvert at a stream crossing, back filling, and building of stone masonry end structures. The pending works were building of gabion walls upstream and downstream, raising of the approaches with gravel, grading of the entire road and spot gravelling.

Namwalye-Mulatsi Road (7.6 km) after RMeM in Q2 FY2018/19

Installation of a 1.2m diameter armco culvert crossing on Mulatsi-Bukiende Road (7.1km) under periodic maintenance

c) Nebbi District

The district has a total road network of 289km which was all unpaved. The district's approved annual budget for district roads maintenance in FY 2018/19 was Ug shs 614,279,501, of which Ug shs 256,036,442 (46.77%) was released and Ug shs 234,388,279 (91.5%) expended by 31st December 2018. Therefore, absorption of funds was very good.

The performance of the district roads maintenance programme is summarized in table 12.34.

Table 12.34: Performance of Nebbi District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km/No.)	Cum. Achieved Quantity (km/No.)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	170	0.0	0.000	No works were carried out.
Routine Mechanized Maintenance	86.7	26.7	57.135	Half year target was achieved.
Installation of Culverts	30	0	0	No culverts were installed.
Overall weighted physical performance was 57.135 %				**Fair Performance**

Source: Nebbi DLG Annual Workplan, Quarterly progress reports FY 2018/19 and Author's compilation

The performance of the district was fair (57.1%) with routine mechanized maintenance being the key achievement. The district did not execute routine manual maintenance works during Q1&Q2 due to failure to attract road gangs at the current remuneration rates of Ug shs 150,000 per month per worker. Some of the roads reported on were sampled for inspection and these were the observations;

Observations

- ***Nyaravur-Parombo Road (16.2km)***-the scope of works was heavy grading, shaping, and compaction at a cost of Ug shs 63,346,812. It was also noted that the road is traversed by heavy traffic which is likely to accelerate the rate of deterioration. Nonetheless the road was still in good condition and routine manual maintenance was evident on the road.

- ***Padel-Pangere Road (12.5km)***-the scope of works was heavy grading, shaping, compaction and bush clearing. The works commenced in Q2 and spilled over to Q3. By the end of Q2, Ug shs 2,994,000 was expended for maintenance works on the road. Routine manual maintenance aspects like opening of mitre drains were not done and as such the road is at a risk of rapid deterioration during the rainy season

A section of Nyaravur-Parombo Road (16.2km) after RMeM in Q2

Padel-Pangere Road (12.5km) was in good condition after RMeM carried out in Q2

r) Ntungamo District

The district has a road network of 663.6km. The district has an annual budget of Ug shs 1,009,059,675 for maintenance of roads in FY 2018/19, of which Ug shs 471,969,218 (46.77%) was released however the expenditure information was not provided. Table 12.35 shows a summary of the physical performance of the district.

Table 12.35: Performance of Ntungamo District Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	312.6	312.60	25.50	These were carried out in Q1as planned.
Routine Mechanised Maintenance	79.6	53.10	43.86	
Maintenance of bridges	4.0	0.00	0.00	No works were executed
Overall weighted performance was at 69.35%				**Fair Performance**

Source: Ntungamo DLG Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The district achieved 69.35% of the semi-annual targets, hence a fair physical performance.

Observations

- ***Katinda-Kagarama road (11.4km):*** The road which starts in Kagarama Town Council off Ntungamo-Mbarara road goes through Ihunga sub-county and ends up in Nyabiholo sub-county. Planned works on the road were grading and regravelling at a budget of Ug shs 55.02 million. The works were carried out in Q2 in the months of October and November 2018 at a cost of Ug shs 54.028 million (98.2%). The road was generally in a good condition with a motorable surface. Due to the hilly terrain, there are sections on the road that were getting damaged. There is need to improve the drainage requirements of such sections so that surface water does not damage the road.
- ***Omungyenyi-Nyanga-Ruyonza road (10.3km***) – The road in Rubare sub-county was earmarked for grading and regravelling at a budget of Ug shs30.84 million. Grading and spot gravelling works were carried out in Q1 in August 2018. The road condition was good however, routine manual maintenance works had not been carried out.
- ***Omungyenyi-Karubugu (4km):*** The road in Rubare sub-county had an annual budget of Ug shs 33.989 million for grading and spot gravelling. Works were carried out and completed in Q1. The road was bumpy as a result of having done compaction as it was raining implying that the works were done when the road had more than the required.

Note: Due to the hilly terrain of the district, the sections on the road with drifts were damaged and if not attended to would lead to roads being cut off.

Katinda-Kagarama road (14.3km): A well compacted spot gravelled section at Km 4+100

Omungyenyi-Nyanga-Ruyonza road (10.3km): A damaged drift at Km1+300 at a point with a seasonal stream

d) Soroti Municipal Council

The municipality has a total road network of 246.3km, of which 12.7km (5.2%) was paved and 233.6 km (94.8%) unpaved. The approved annual budget for the municipal council roads maintenance in FY 2018/19 was Ug shs 1,338,930,295, of which Ug shs 626,260,171 (46.8%) was released by 31st December 2018. Absorption of funds was goods at 78%.

The municipality planned to execute routine manual, mechanized, and periodic maintenance works as shown table 12.36

Table 12.36: Performance of Soroti MC Roads Maintenance Programme by 31st December 2018

Output	Annual Target	Cum. Achieved Quantity (km/No.)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	47.4	33.5	5.684	70.7% of the semi-annual target achieved.
Routine Mechanized Maintenance	9.8	10.9	8.042	Performance exceeded the semi-annual target.
Periodic Maintenance	6.55	0.0	0.0	There was delay in procurement of service providers.
Culverts	18 lines	0.0	0.0	There was delay in procurement of service providers.
Overall weighted physical performance was 13.73 %				**Poor performance**

Source: Soroti MC Annual Work plan, Quarterly progress reports FY2018/19 and Author's compilation

The performance of the municipality was poor (13.73%). The planned periodic maintenance outputs were not achieved however, preliminary activities such as surveying, design of the pavement and relocation of utilities formed part of the expenditure. It was also noted that the municipality had a major challenge of dilapidated equipment prone to frequent breakdowns; this affected the schedule for implementation of planned maintenance activities. The municipality also lacked key equipment like roller, bulldozer, excavator, and water bowser plus supervision vehicles. This was aggravated by the late receipt of funds. Findings from some of the sampled roads for inspection are detailed below;

Observations

- **Kyoga Avenue (1.3 km) –** The periodic maintenance works on the road commenced in Q2 and spilled over to Q3. The scope of works was; pothole filling and patching, and drainage improvement.

- **Opolot Odelle Road (0.3 km)** – This road was opened under routine mechanized maintenance in Q2 at a cost of Ug shs 1,380,000. The scope of work was heavy grading, shaping, and compaction.

- **Etieku Road (0.3 km) –** This road was opened under routine mechanized maintenance in Q2 at a cost of Ug shs 2,530,000. The scope of work was heavy grading, shaping, and compaction. However, the road lacked proper drainage structures and required gravelling to give it a better riding surface.

Kyoga Aenue (1.3 km) was undergoing patching works under periodic maintenance

Opolot Odelle Road (0.3 km) that was worked on under RMeM in Q2

e) Fort Portal Municipality

The municipality has a road network of 129.83km, of which 16.4km (13%) are paved, 37.93km (29%) unpaved gravel and 75.5km (58%) unpaved earth. The annual budget of the municipality is Ug shs 1,053,990,000 for maintenance of roads in FY 2018/19, of which Ug shs 492,987,000 (46.77%) was released and Ug shs 58,057,000 (11.78%) expended by 31st December 2018. Table 12.37 shows a summary of the physical performance of the municipality.

Table 12.37: Performance of Fort Portal Municipality Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	35.75	17.63	10.52	The works were executed in Q1 and Q2 as planned.
Routine Mechanised Maintenance	40.35	6.50	3.90	On average the implemented projects were at 72%.
Periodic maintenance	3.20	0.00	0.00	Over 75% of the projects implemented were completed.
Bridges	1.00	1.00	0.00	The semi-annual targets were achieved.
Culverts	100.00	0.00	0.00	
Overall weighted performance was at 14.42%				**Poor Performance**

Source: Fort Portal Municipality Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The municipality achieved 14.42% of the semi-annual targets, hence a poor physical performance. This was attributed to the late release of funds due to changes in the IFMS from Tier 2 to Tier 1and consequently, funds absorption was very poor.

Other funding sources

Infrastructure Development of Batch I (B) under USMID.

Table 12.38: Summary of Project Information

Project Name	INFRASTRUCTURE OF BATCH II UNDER USMID PROJECT
Scope of Works	The scope of works will consist of but not limited to the following major activities: Drainage works, pavement layers of gravel and crushed stone, bituminous layers and seals pedestrian sidewalks, landscaping and beautification and ancillary works.
Project Location	Fort Portal Municipal Council, located in Kabarole District, Western Uganda
Source of Funding	World Bank/ GoU
Employer/Client	Fort Portal Municipal Council
Project Manager	CONTINUUM Engineering Ltd
Contractor	AL NUAIMI Group &ABUBAKER Technical Services Ltd JV
Construction Cost	UGX: 4,123,988,318 (VAT Exclusive)
Date of Contract signature	October 03, 2017
Completion Date	November 30, 2018 but the contractor Requested for time extension to

	December 21, 2018 due to interference.
Revised completion date	Requested for time extension to December 21, 2018 due to interference.
Additional contract	Installation of solar light – 32 N0.
Cost	Ug shs 448,000,000
Financial progress	61%

Source: Fort Portal municipality

Scope of Works

The following infrastructure was to be worked on under the project in Fort Portal Municipality: Rukidi III Street, Mugunu Lorry Park, Mugunu Lorry Park Building, Solar Street Lighting, and Establishment of material lab.

Progress of works

All works on Rukidi III Street and Mugunu Lorry Park were completed, while works on the Mugunu lorry park building were still on ongoing at 94%.

Observations

- ***Completion of Kibogo road under URF***. The road has a budget of 126 million. The scope of works were major drainage works, regravelling and grading. The road was in a fair motorable condition.
- Rukidi III Street ***(0.226km***) - The road was fairly motorable. The kerbstones were provided, solar street lining in place.
- ***Mugunu Lorry Park and Building -*** The works were visually satisfactory though they were still in progress.

Mugunu Lorry Park and Park building

A section of Kibogo Road

f) Kabwohe-Sheema Municipality

The municipality has a road network of 469.12km, of which 3km (0.6%) are paved, 408.12km (87%) unpaved gravel and 58km (12.4%) unpaved earth. Its annual budget is Ug shs 751,466,000 for maintenance of roads in FY 2018/19, of which Ug shs 351,695,905 (46.80%) was released and all (100%) expended by 31st December 2018. Table 12.39 summarizes the physical performance of the municipality.

Table 12.39: Performance of Kabwohe-Sheema Municipality Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	108.1	185.0	13.98	The works were executed in only one quarter as planned.
Routine Mechanised Maintenance	200.5	85.1	62.46	On average the implemented projects were at 91%.
Bridges	2.0	0.00	0.00	Works were not executed.
culverts	28.0	6.0	4.00	The semi-annual targets were achieved.
Overall weighted performance was at 80.44 %				**Good Performance**

Source: Kabwohe-Sheema Municipality Annual Work Plan, Quarterly Progress Reports FY 2018/19 and Author's Compilation

The municipality achieved 80.44% of the semi-annual targets, hence a good physical performance.

Other funding sources

- **Local revenue**

The municipality had an annual budget of Ug shs 77,000,000, of which Ug shs 25,000,000 (32.5%) was released and all (100%) was expended by 31st December 2018. The funds were used for:

- Desilting of culverts after October-December rains at Ug shs 14,900,000.
- Routine mechanized maintenance (grading and gravelling) of Nyakashambya-Sheema Headquarters Road at Ug shs 4,500,000.
- Routine mechanized maintenance (grading, spot gravelling and shaping) of Rutojo-trading centre –Rugarama road (1.2km) at Ug shs 5,600,000.

All works were carried out in Q2.

Observations

i. **URF**

- ***Routine mechanised maintenance of Nyakashambya-Kiziba Road (5km)***

The scope of pothole patching, spot gravelling and drainage works at Ug shs 4,610,000. The works were completed in Q1 at Ug shs 4,676,000 and the road was fairly motorable. However, the road was cut-off at 2.1km pending installation of a box culvert.

- ***Routine mechanised maintenance of Nyakashambya-Ryamuhunga Road (1.6km***)

  The scope of pothole patching, spot gravelling and drainage works at Ug shs 7,680,000. The works of grading, shaping and gravelling of one kilometre were executed in Q2 at Ug shs 7,547,000 up to and the road was fairly motorable. A line of concrete pipe culvert was also installed of length 6m with diameter 600mm.

- ***Routine mechanized maintenance of Nyamufumura-Mukinga-Kagongi Road (3.5km***)

  The scope of works was grading, and shaping at Ug shs 8,560,000. The works were carried out in Q2 at Ug shs 8,384,000. The road was in a fair motorable condition.

ii. <u>Local Revenue</u>

Nyakashambya-Sheema Headquarters Road (1.2km) and Rutojo trading centre – Rugarama road (0.6km)

Grading, shaping and gravelling of the entire stretch had been carried out and the works were visually satisfactory.

A section of Nyakashambya-Sheema Headquarters Road

A section of Nyakashambya-Kiziba road with grown vegetation

A culvert installed on Nyakashambya Ryamuhunga Road at 0+800

A section of Kibingo-Mushango Road

g) Kira Municipality

The municipality has a road network of 292km of which 37km (13%) are paved, 73km (25%) unpaved gravel and 182km (62%) unpaved earth. The annual budget of the municipality is Ug shs 2,647,498,000 for maintenance of roads in FY 2018/19, of which Ug shs 1,034,407,860 (39.07%) was released and Ug shs 796,998,249 (7.05%) expended by 31st December 2018. Table 12.40 shows a summary of the physical performance of the municipality.

Table 12.40: Performance of Kira Municipality Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	63.0	63.0	7.14	The works were executed in Q1 and Q2 as planned.
Routine Mechanised Maintenance	40.1	1.5	1.41	On average the implemented projects were at 72%.
Periodic maintenance	2.3	0.3	9.67	Over 75% of the projects implemented were completed.
Bridges/culverts and road safety activities	1.3	1.18	27.23	The semi-annual targets were achieved.
Culverts & Stone pitching	50.0	30.0	2.74	
Overall weighted performance was at 48.19%				**Poor Performance**

Source: Kira Municipality Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The municipality achieved 48.19% of the semi-annual targets, hence a poor physical performance. This was attributed to the change in work plans due to emergencies that were brought about by the heavy rains in Q2, and the delayed procurement of road designs. In addition, was the lack of sound equipment which affected timely execution of planned works yet shared equipment were not readily available. Hence, only 77% of the released funds were absorbed.

Other funding sources

- **Local revenue**

The municipality has an annual budget of Ug shs 2,400,000,000 from property tax, of which Ug shs 659,800,000 (27.5%) was realized and Ug shs 574,313,413 (87%) expended by 31st December 2018. The utilisation of these funds is summarised in table 12.41.

Table 12.41: Utilisation of Local Revenue by Kira Municipality by 31st December, 2018

Planned Output	Scope of works	Financial Details	status
Kasubi roads in **B**weyogere division (0.6km)	Widening, spot gravelling and drainage works	**Budget** Ug shs 35,500,000 **Expenditure** Ug shs 42,375,000	The road works were executed and more length was covered up to 1.5km.
Co-funding of selected tarmacked roads in Namugongo, Kira and Bweyogerere divisions in conjunction with funds from URF	Pothole patching and removal of debris in all divisions	**Budget** Ug shs 46,000,000 **Expenditure** Ug shs 43,494,000	Pothole patching activities were carried out.

Source: Kira Municipality

Observations

- Patch works were seen on ***Kira-Kiwologoma road***. These were funded by both URF and local revenue.
- ***Emergency works on Nakalere 111 swamp (0.6km***) - The scope of works was swamp filling and drainage works at Ug shs 135.03 million. The works were executed at Ug shs 129.587 million from URF, and Ug shs 8 million from property tax. The surface was laid with gravel and five lines of Armco pipe culverts of diameter of 1200m were placed.
- ***Emergency works on Nakalere 1V swamp (0.4km*** - The scope of works was swamp filling and drainage works at Ug shs 245.25 million. The works were executed at Ug shs 212.608 million from URF, and Ug shs 9.196 million from property tax. The road was graveled and five lines of armco pipe culverts of diameter of 1200m were installed.
- ***Emergency works on Mbalwa swamp (0.08km) -*** The scope of works was swamp filling and drainage works at Ug shs 8 million. The works were executed at Ug shs 129.587 million from URF. The road pavement had been graveled.
- ***Swamp raising of Suula Ebikomo swamp raising along Serwanga road (0.1km) and Kayebe Kabindula swamp (0.8km)*** - The scope of works was swamp filling and drainage works at a budget was Ug shs 32.98 million from property tax. The works that were

executed were: grading of the approach roads to the swamp, installation of culverts (Armco and concrete pipes), stone pitching and gabion works. The works were executed at Ug shs 32.74 million.

- **Kayebe swamp:** The swamp crossing along Kayebe-Nakindiba (0.8km) had a budget of Ug shs 98 million from URF under the emergency works. Installation of one armco culvert of 900mm diameter and one concrete pipe culvert of 600mm diameter were ongoing. The road expenditure was at Ug shs 30 million.
- ***Upgrading Najeera-Kungu (0.25km***) - The scope of works involved earthworks, drainage improvements and surface dressing of a 250m section of the at Ug shs 100 million under URF. The works were completed at Ug shs 91.129 million. The sealed road section was intact.

i. **Local revenue**

Mechanised maintenance of Kasubi roads (0.6km*) *in Bweyogerere division - The scope of works was widening, spot gravelling and drainage improvement works of Buto-Kasubi-Namanve road at Ug shs 35 million. The works were executed at Ug shs 42.375 million due to increase in mileage covered to 1.5km. Gravelling was carried out and two lines of concrete pipe culverts of 600mm had been installed. The road was fairly motorable, however, a number of sections required culvert crossing.

A section of Nakalere 111 swamp along Kiwologoma-Nakwero Road

A stone pitched drain on Suula Ebikomo swamp

An upgraded section of Najeera-Kungu Road

A section of Mbalwa swamp

h) Kisoro Municipality

The municipality has a road network of 41.53km, of which 3.37km (8.11%) are paved, 27.1km (65.25%) unpaved gravel and 11.06km (2.63%) unpaved earth. The FY 2018/19 annual budget for maintenance of roads is Ug shs 437,193,356, of which Ug shs 204,489,200 (46.77%) was released and Ug shs 105,867,396 (51.77%) expended by 31st December 2018. Table 12.42 shows a summary of the physical performance of the municipality.

Table 12.42: Performance of Kisoro Municipality Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	25.6	20.49	26.72	These were carried out in Q1 and Q2.
Periodic maintenance	0.3	0.00	0.00	Delayed procurement of materials (fuel and bitumen) affected implementation.
Construction of head and wing walls to culverts	10 lines	8 lines	2.28	Target not achieved pending installation of two (2) culvert lines.
Overall weighted performance was at 29 %				**Poor Performance**

Source: Kisoro Municipality Annual Work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The municipality achieved 29% of the semi-annual targets, hence a poor physical performance. The performance was arising from the delays in procurement of the fuel and bitumen for the periodic maintenance works (resealing of Bishop Kivengeri road, 0.3km). The works contributed to 56.6% of the municipal roads maintenance budget.

Observations

- ***Nyagashinge road (2.3km)*** – The road had under gone routine mechanised maintenance works in the previous FY 2017/18 which involved regarding, spot gravelling and drainage improvements involving the installation of eight (8) culvert lines of 600mm diameter without end structures. For the FY 2018/19, the works on this road involve the installation of two (2) culvert lines of 600mm diameter and the construction of head and wings wall on all the ten (10) culvert lines at a cost of Ug shs 10 million.

  The works were contracted out to Twez Enterprises Ltd at Ug shs 8,665,000. The construction of the end structures had been completed in January and February 2019 with good workmanship and pending works involved in the installation of the two culvert lines. The works were estimated at 90% physical progress by the end of December 2018 and no payment had so far been made to the contractor.
- ***Bishop Kivengere road (0.3km)*** – The road was earmarked for the periodic maintenance intervention which involved resealing of the entire road and major drainage works at a cost of Ug shs 247,240,652. Procurement of bitumen and fuel for scarifying the road took place in Q1 and Q2 at a cost of Ug shs 38,706,600 (16% of the road budget). Scarification and compaction of the road surface and manual excavation of the drainages on either side of the road were the only activities that had so far been done in January 2019.

Excavation for the side drain on Bishop Kivengere road (0.3km) at Km 0+000

A culvert with end structures on Nyagashinge road (2.3km) at Km 1+800

i) Njeru Municipality

The municipality has a road network of 790.1km, of which 4.2km (0.53%) are paved, 247.9km (31.37%) unpaved gravel and 538km (68.1%) unpaved earth. The municipal has an annual budget of Ug shs 869,057,019 for maintenance of roads in FY 2018/19, of which Ug shs 406,485,535 (46.77%) was released and Ug shs 405,388,345 (99.73%) expended by 31st December 2018. Table 12.43 summarizes the physical performance of the municipality.

Table 12.43: Performance of Njeru Municipality Roads Maintenance Programme by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance	257.2	128.6	16.87	The works were executed in Q1 and Q2 as planned.
Routine Mechanised Maintenance	11.9	5.6	3.92	On average the implemented projects were at 72%.
Periodic maintenance	26.4	11.3	64.49	Over 75% of the projects implemented were completed.
Bridges/culverts	66.0	47.0	3.26	The semi-annual targets were achieved.
Stone pitching	1,200.0	1200.0	5.48	
Overall weighted performance was at 94.02 %				**Very Good Performance**

Source: **Njeru** ***Municipality Annual Work Plan, Quarterly Progress Reports FY 2018/19 and Author's Compilation***

The municipality achieved 94.02% of the semi-annual targets, hence a very good physical performance. This was attributed to utilisation of the new Japanese equipment unit the municipality shares with Buikwe District.

Other funding sources

- **Emergency release from URF**

The municipality requested for a sum of Ug shs 308,998,981, of which Ug shs 88,365,000 (28.6%) was released in Q1 and all was expended. Details of the emergency are illustrated in table 3.44.

Table 3.44: Status of the Emergency Works in Njeru Municipality by 31st December, 2018

Planned Output	Scope of works	Financial Details	Status
Stone Arch Bridge (1.25km) at Chris Hanns in Central division	Earthworks, foundation laying, construction of the stone masonry arch bridge , the deck, placement of gabion wingwalls and installation of guard rails	**Budget** Ug shs 58,365,000 **Expenditure** Ug shs 58,365,000	The bridge was at 99% completion. The works were visually satisfactory.
Routine mechanised maintenance of Nyenga-Kandaha-Sssesse-Buwampa-Ndolwa-Namabbu (16.7km)	Busch clearing, rock cutting, grading the entire stretch, spot graveling of 1.2km, placement of 3 bill boards, drainage improvement	**Budget** Ug shs 102,623,000 **Expenditure** Ug shs 30,000,000	The progress of works was at 63%. This was due to the inadequate funds released for completion of the project.

Source: Njeru Municipality

- **Local revenue**

The municipality had an annual budget of Ug shs 168,000,000, of which Ug shs 30,158,000 (18%) was released and all (100%) expended by 31st December 2018. The funds were used for routine mechanized maintenance of Kalembe road (3.5km). The scope of works was bush clearing, installation of one line of 600mm diameter culverts, spot gravelling of 1.9km, and installation of a sign post. The works were still in progress at 42%.

Observations

i. URF

- ***Periodic maintenance of Bulopa-Mpumude Road (1.9km)*** - The scope of works was bush clearing, full length grading, spot gravelling and compaction of 1.9km, installation of four lines of culverts and other drainage improvements (offshoot and mitre drains) at Ug shs 36 million. The works started in Q2 and were still ongoing at 70% progress although all funds had been expended. A stretch of 0.5 km had been graded, graveled and well compacted; and heaps of unspread gravel had been dumped in the 1.1km section.
- ***Periodic maintenance of Kinabi-Karim road (1.1km)*** - The scope of works was swamp raising of 0.3km, installation of three lines of 600mm concrete pipe culverts and placement of two bill boards at Ug shs 19.044 million. The works were still ongoing at 72% progress with 0.2km of swamp raised. All funds had been expended.
- ***Routine mechanized maintenance of Bulumagi-Fadulu Road (1.5km)*** - The scope of works was bush clearing, full length heavy grading, installation of two lines of culverts with headwalls and other drainage improvements (offshoot and mitre drains) at Ug shs 7.5

million. The works were carried out in Q1 and were substantially completed at 96% at 100% expenditure. Pending works included the installation of culverts. The road was in a fair motorable condition.

- ***Periodic maintenance of Ahamadiya Road (0.5km***) - The scope of works was stone pitching of a road side drain with 600m^2, installation of two lines of 600mm concrete pipe culverts and placement of one bill board at Ug shs 21 million. The works were still ongoing at 80% progress. Additional works to the road were widening to about 7m, grading of the entire length and spot gravelling. All funds had been expended.

ii. Emergency release from URF

Chris Hanns Bridge – The stone arch bridge works were visually satisfactory.

Nyenga-Kandaha-Sssesse-Buwampa-Ndolwa-Namabbu (16.7km) - Bush clearing and grading has been completed. Spot improvements and drainage works were ongoing. However, there was a challenge of rock outcrops that required a truck excavator to uproot them in sections ahead of km 5+500.


Chris Hanns Arch Bridge


Stone pitching works at Ahamadiya road


A section of Bulopa-Mpumudde road with dumped gravel


Armco culverts installed at Kinabi-Karim swamp

Key issues, risks and recommendations for the DUCAR programme

Generic issues

1. Understaffing of works departments at local governments. -*There is a risk of failure to effectively manage and supervise the district road network.*

2. Scarcity of good gravel for roadworks leading to long haulage distances. - *There is a risk of high unit cost of road maintenance.*

3. Prolonged torrential rains experienced my most parts of the country; which left a huge proportion of the road network in need of urgent rehabilitation. - *There is a risk of increased cost of road maintenance.*

4. Delays in downstream transfer of funds from URF to LGs. - *There is a risk of failure to implement works as planned.*

5. Inadequate allocations for mechanical repairs compared with planned works and equipment capacity. - *There is a risk of poor maintenance/neglect of the newly acquired road equipment and consequently their early demise.*

6. Failure to undertake planned routine manual maintenance in the entire Financial Year. - *There is a risk of rapid road network deterioration.*

7. Huge portion of the road network in poor condition and requiring rehabilitation. - *There is a risk of increased cost of maintenance.*

8. Dilapidated equipment fleet at the municipal councils which compelled most MCs to relay on hired equipment. - *There is a risk of delay in execution of planned works and high cost of road maintenance.*

9. Difficulty in acquiring key equipment like excavator and low-bed from the regional mechanical workshops. - *There is a risk of failure to execute planned works.*

10. Poor record keeping and reporting by LGs on management of resources and daily outputs in the force account operation. - *There is a risk of failure to provide complete and timely accountability for funds.*

11. Lack of reliable and adequate supervision vehicles. – *There is a risk of inadequate supervision and management of the road network.*

Particular issues

a) **Buvuma and Kalangala districts**: Mobilization of equipment from the mainland to the detached islands is costly. Temporary landing sites have to be constructed for the ferry that transports equipment in addition to the ferry crew allowances and its fuel. - *There is a risk of failure to execute planned works on the islands.*
b) **Kalangala District:** Failure to access zonal equipment. The district being an isolated one requires an independent low bed to transport the new road equipment to site. – *There is a risk of accelerated deterioration of new road equipment.*

Recommendations

Generic

1. The DAs should fill the key positions in the works department to enable effective planning, supervision of works, and reporting.

2. The URF to support DAs to roll out use of the several alternative road surfacing materials previously researched on such as low cost sealing.

3. The MoWT should prioritize the roads rehabilitation programmes to keep the affected roads in a maintainable state.

4. The URF should expeditiously transfer funds to the LGs.

5. The URF to rationalize the funds allocated for mechanical repairs. In addition, MoWT should beef up the regional mechanical workshops to effectively handle maintenance and repair of the equipment.

6. The DAs should adhere to URF budget guidelines which require that RMM takes the first call on road maintenance funds.

7. The URF to coordinate with MoWT to design a programme for road rehabilitation across all DAs.

8. The GoU should consider procuring equipment units for MCs as these did not benefit from the newly acquired Japanese equipment. In the interim, the MoWT should develop clear guidelines to facilitate sharing of equipment between districts and MCs.

9. The MoWT should fast-track the establishment of the proposed zonal equipment centres so that at most a unit is shared by five districts.

10. The DAs should follow proper accounting procedures an adhere to force account guidelines by MoWT.

11. The MoWT should consider procurement of supervision vehicles for LGs.

Particular

1. Districts located on the islands should liaise with UNRA so that transportation of their equipment, materials, and staff are given priority on public water transport such as ferries for easy and timely execution of work. In addition, URF should rationalize the maintenance budgets of these districts with consideration of the extra transport costs.
2. The MoWT should procure low beds for isolated districts to ease transportation of equipment

Conclusion

Overall the performance of the programme was fair with 61.4% of the semi-annual output targets achieved. The average absorption of the released funds stood at 73.9%.

ii) National Roads Maintenance Programme(NRMP)

The programme involves activities for the maintenance of 20,562km on the national roads network, ferry services or inland water transport services and axle load control across the network. This programme is implemented by UNRA through 23 stations in different regions of the country. It aims at improving and maintaining interconnectivity of the national road network across the country by reducing the rate of deterioration, lowering vehicle operating costs and travel time as well as ensuring safety of road users and ferry services.

The UNRA stations are responsible for directly executing force account activities which involve routine manual (labour based contracts) and routine mechanised maintenance. In addition, they undertake supervision services for periodic maintenance contracts, term maintenance contracts, and framework contracts which are usually contracted out and managed at the headquarters.

Financial performance

In FY 2018/19, the programme has an approved annual budget allocation of Ug shs 312.562 billion under the URF budget. The funds are meant for maintenance of national roads under both force account and contracts at the 23 UNRA stations. Release of funds to the programme during the first half of FY 2018/19 amounted to Ug shs 170.955billion (54.69% of the annual budget). At the end Q2 FY 2018/19, the programme was monitored at 8 UNRA stations including, Fort Portal, Gulu, Lira, Luweero, Masaka, Mbarara, Moroto, and Soroti which had a combined road network of 8,173.9 km (39.8% of national road network). The UNRA stations monitored received an average of 54.3% of their force account annual budgets and absorbed an average of 80.8% of the releases.

Physical performance

The physical performance of the force account component of the National Roads Maintenance Programme was good. The programme achieved an estimated **78.5%** of the semi-annual output targets which was an improvement in the performance of the programme compared to 71.7% of last FY by 31st December 2017. Despite the good performance of the force account component, some planned outputs were not achieved due to: aged equipment associated with frequent mechanical breakdown; delayed procurement of culverts; late releases of funds to the stations.

The performance of the contracts component was estimated at **80.4%** which was an improvement in performance compared to 72.9% achieved last FY**.** This improvement was majorly attributed to the commencement of term maintenance contracts. Majority of the contracts were framework contracts that commenced this FY with a few term maintenance contracts rolling over form the previous FYs. Overall the Framework contracts showed better physical progress against the time progress whereas some term maintenance contracts were behind schedule. The performance of the contracts was affected by heavy rains and delays in payment by UNRA. Table 12.45 shows a summary of the performance of stations.

Table 12.45: Summary of Performance of UNRA Stations by 31st December, 2018

UNRA Station	% budget released	% release spent	% Weighted physical performance (force account)	% Weighted physical performance (contracts)	Remark
Fort Portal	54.3	92.8	88.8	83.5	Semi-annual target was achieved.
Gulu	39.9	89.7	66.0	93.3	Target for routine mechanised maintenance on paved roads was achieved, however underperformance was registered under mechanised maintenance on unpaved roads due to inadequate equipment.
Lira	43.3	75.4	80.1	100.0	Semi-annual targets were achieved except under routine Mechanised Maintenance (paved) where only 36.0% of targets were achieved.
Luwero	85.6	67.7	92.9	80.0	The overall performance of maintenance activities at the station was good with exception of mechanised maintenance on paved roads that underperformed at 13.4% of the targets.
Masaka	69.4	74.4	86.8	52.9	A good performance was achieved under force account activities, while that of the contracts was just fair due to under performance of term contracts.
Mbarara	38.3	94.9	86.3	81.2	Achievement of semi-annual targets was good except under bridges maintenance which registered no achievement.
Moroto	46.3	79.5	55.7	76.6	Target was achieved under routine manual maintenance, but underperformance was registered under mechanized maintenance due late release of funds and unreliable equipment.
Soroti	57.3	72.0	71.6	75.5	Overall the performance was good. however, routine mechanized maintenance was stalled by lack of key equipment at the station.
Overall Performance	**46.6**	**84.1**	**78.5**	**80.4**	**Good performance**

Source: Author's compilation

Details of the performance for each of the UNRA stations monitored are presented below;

a) Fort Portal UNRA station

The station has a total road network of 1001.7km, of which 328.5km (32.8%) is paved and 673.2km (67.2%) unpaved. The road network traverses seven (7) districts that included: Bundibugyo, Bunyangabu, Kamwenge, Kibaale, Kyegegwa, Kyenjojo, and Ntoroko. The condition of the road network was: 67.8% in good condition, 29.9% in fair condition, and 2.3% in poor condition.

i) Implementation by Force Account

The station received a total of Ug shs 1,629,565,000 (54.3% of its annual budget) for force account activities, of which a total of Ug shs 1,512,281,330 (92.8%) was spent by 31st December 2018. The station planned to execute routine manual and mechanised maintenance on both paved and unpaved roads as shown in table 12.46.

Table 12.46: Performance of Force Account at Fort Portal UNRA Station by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance (paved)	232	213.0	9.668	91.8% of the semi-annual target was achieved.
Routine Manual Maintenance (unpaved)	628	647.0	30.800	Semi-annual target was achieved.
Routine Mechanised Maintenance (paved)	55	28.6	12.389	Semi-annual target was achieved.
Routine Mechanised Maintenance (unpaved)	165	90.5	35.925	77.6% of semi-annual target was achieved.
Overall physical performance			88.78	Good performance.

Source: Fort Portal Station work plan, Quarterly progress reports FY 2018/19, and Author's compilation

The overall physical performance of the force account works at the station was estimated at 88.78% of the semi-annual targets which was a good performance.

Observations

- **Fort Portal-Kamwenge road (66.6km):** The road which was recently upgraded came to an end when a number of accesses had not been constructed. The task to provide these accesses was passed on to the station as part of their maintenance activities. Access culverts had to be provided due to the demand and need. The works were budgeted at Ug shs 75,000,000 and were ongoing. A total of Ug shs 50,000,000 was expended. The works were satisfactorily good.
- **Routine maintenance of Kakara-Rwebishengo road (27km)**: The scope of works involved grading, spot re-gravelling, and drainage works (culvert installation and excavation of drains) budgeted at Ug shs 17,500,000. The works were carried out in Q1 at

100% expenditure although drainage works were not executed. The road was in a fair motorable condition for the graveled section and poor for ungravelled sections.

- **Routine maintenance of Kakara-Rwebishengo Road (27km)**: The scope of works involved grading, spot re-gravelling, and drainage works budgeted at Ug shs 17,500,000. The works were completed in Q1 at 100% expenditure although drainage works were not executed. The road was in a fair motorable condition for the graveled section and poor for ungravelled sections.
- **Routine maintenance of Kibuku-Nyabushozi Road (15km)**: The scope of works involved grading, spot re-gravelling, and drainage works (budgeted at Ug shs 24,500,000. Only grading works were executed in Q2 at Ug shs 7,590,000 (30.98%). The road had loose clayey soils hence, requires gravelling.
- **Routine maintenance of Kahuka-Malindi Road (5km)**: The scope of works involved grading, spot re-gravelling, and drainage works budgeted at Ug shs 17,500,000. Only grading and drainage works were executed in Q2 at Ug shs 16,955,000 (96.88%). The road was fairly motorable although it had a rutted surface.

Graveled section of Kakabara-Rwebishengo Road at 19+000

A section of Kahuka-Malindi Road at 2+900

i) Implementation by Contracts

In FY2018/19 maintenance works using contracts were planned to be implemented using framework maintenance contracts only. During Q1-Q2 FY2018/19, the station supervised two (2) contracts as shown in table 12.47. Overall the performance of contracts at Fort Portal UNRA station was good at 83.48% of the semi-annual targets.

Table 12.47: Performance of Contracts at Fort Portal UNRA station by 31st December 2018

Contract Name	Annual Target %	Achieved Quantity (Q1-Q2) %	Weighted Physical Performance (%)	Remark
Framework Contract for three years of	70	57	42.40	Contractor: M/s Pekasa Enterprises Ltd Contract sum: Ug Shs 1,193,157,009

Contract Name	Annual Target	Achieved Quantity	Weighted Physical	Remark
Mechanized Maintenance of selected Unpaved Roads totaling to 81km. Lot 09: Karugutu-Ntoroko Road (23.5km) and Harugale-Bumpompoli Road (8km)				Commencement date: 18th July, 2018 Completion date: 28th February, 2018 The cumulative physical progress was at 57% (13% below the planned progress) and this was attributed to the heavy rains. The contractor had graded the entire length of 23.5 km, opened up off shoots and graveled 7km. The first Interim Payment certificate had been submitted.
Frame work Contract for mechanized Maintenance of Selected Unpaved National Roads Under Frame Work Contracts for 3 years totaling to 81Km, Lot 09 for Roads under Fort Portal Station , Karugutu Ntoroko Road (26.54km)	70	60	41.08	Contractor: M/S Kuka (U) Ltd Contract sum: Ug Shs 1,098,267,309 Commencement date: 3rd July, 2018 Completion date: 2nd January, 2019 The Contractor had graded the entire stretch of 26.54km and had graveled 5.5km. The works were slowed down by the rains especially in the park. The overall physical progress was at 90.25%.
Overall physical performance			**83.48**	**Good performance**

Source: Fort Portal Quarterly progress reports FY 2018/19 and Author's compilation

Observations

Karugutu-Ntoroko Road (23.5km) and Harugale-Bumpompoli Road (8km) under framework contract 1: The scope of works was site clearance, medium and heavy grading, drainage improvement and spot re-gravelling at Ug shs 1,193,157,009. The works were substantially complete at 92.6% on the 23.5 km road and it was in a good motorable condition. Works on Harugale-Bumpompoli road of grading and shaping had just commenced. Opening and widening of the first 4km of the road had however been done by the station. A total of Ug shs 817,825,292 had been paid. However, an armco culvert at 12+000 had been installed by the station under force account intervention.

Karugutu-Ntoroko Road (26.54km) under framework contract 2: The scope of works was site clearance, medium and heavy grading, drainage improvement and spot re-gravelling at Ug shs 1,098,857,309. The works were substantially complete and the road was in a good motorable condition however, it required drainage improvement. A total of Ug shs 306,865,973 had been paid.

Culvert installation works at Karugutu-Ntoroko road at km 8+400 under Pekasa Enterprises

Road opening works on Harugale-Bumpompoli Road

b) Gulu UNRA Station

The station had a total road network of 951km, of which 397km (42%) was paved and 554km (58%) was unpaved. The road network traversed 4 districts that included: Oyam, Nwoya, Gulu, Omoro, and Pader. The condition of the road network was: 71.4% in good condition, 22.5% in fair condition, and 6.1% in poor condition.

i) Implementation by Force Account

The station has an annual budget of Ug shs 3,500,000,000, of which Ug shs 1,397,235,000 (40%) was received for its force account activities and Ug shs 1,253,291,420 (89.7%) expended. The station exhibited a low absorption capacity due to inadequate and unreliable equipment.

The station planned to implement routine manual and mechanised maintenance activities on both paved and unpaved roads. Physical performance of the force account activities by 31st December 2018 is presented in table 12.48.

Table 12.48: Performance of Gulu UNRA Force Account Programme by 31st December 2018

Output	Annual target (km)	Cum. Achieved quantity (km)	Weighted Physical Performance (%)	Remark
Routine mechanised maintenance (Paved)	34.4	34.4	9.420	Target achieved.
Routine mechanised maintenance (Unpaved)	299	126.0	20.203	Achieved 73.5% of the semi-annual target.
Routine manual maintenance(Paved)	397	182.0	11.239	Worked for 6 months and achieved an average performance of 60% of the semi-annual target.
Routine manual maintenance(unpaved)	554	407.0	25.134	
Overall physical performance			**66.00**	**Fair performance**

Source: Gulu UNRA Annual Work plan; Quarterly progress reports for FY 2018/19 and Author's compilation

The overall physical performance of the force account works at the station was fair (66% of the semi-annual target). The key achievement was routine mechanized maintenance activities on some roads which involved grading and gravelling. However, installation of culverts was pending on all the planned roads. The performance of the station was affected by: inadequate and unreliable equipment which is prone to frequent breakdowns; late release of funds to the station together with delay in finalization of the procurement process. Some roads were sampled for inspection and the following were observed;

Observations

- ***Ajulu-Onyama-Pabbo (20km):*** The scope of works was medium grading, spot graveling, for 7.1km, road widening in some sections, and drainage improvement including opening of offshoots. The works were executed in Q2 at a cost of Ug shs 68,454,000. The road was generally in a good motorable condition with routine manual maintenance evident on the road.

A graveled section of Gulu-Onyama-Pabbo Road (20km) at km 5+750 worked on under RMeM in Q2

Gulu-Patiko Road (33km) after term maintenance

ii) Implementation by Contract

In the FY 2018/19, the station had three framework contracts. Details of the performance of these contracts are as shown in table 12.49.

Table 12.49: Performance of Maintenance Contracts at Gulu UNRA Station by 31st December 2018

Contract Name	Cum. Annual Target %	Cum. Achieved Quantity (Q1-Q2) %	Weighted Physical Performance (%)	Remark
Framework contract for Mechanised maintenance of Bobi-Ayer (55 km)	83	93.0	38.891	Contractor: Upland Enterprises & Construction Limited Contract sum: Ug Shs 3,184,391,015 Commencement date: 2nd July, 2018 Completion date: 29th October, 2019 The scope of works was: site clearance,

Contract Name	Cum.	Cum.	Weighted	Remark
				grading, gravelling, and culvert installation. The works were substantially completed with a cumulative physical progress of 93%.
Framework contract for Mechanised maintenance of Gulu-Patiko (33 km)	50	90.0	25.549	Contractor: M/S Upland Enterprises & Construction Ltd. Contract sum: Ug Shs 2,091,890,670 Commencement date: 3rd September, 2018 Completion date: 3rd March, 2019 The scope of works was: site clearance, grading, gravelling, culvert installation, and stone pitching of side drains near Gulu town. The works were substantially completed with a cumulative physical progress of 90%.
Framework contract for Mechanised maintenance of Awee-Amuru (40 km)	16	13.0	28.892	Contractor: M/S Upland Enterprises & Construction Ltd. Contract sum: Ug Shs 2,911,602,800 Commencement date: 12th December, 2018 Completion date: 12th June, 2019 The scope of works was: site clearance, grading, gravelling, culvert installation, and drainage improvement. The contractor had fully mobilized and the cumulative physical progress was at 13%
Overall weighted physical performance			**93.33%**	**Very good performance**

Source: Gulu Station Quarterly progress reports FY 2018/19, December 2018 Projects status report, and Author's compilation

The overall physical performance of the contracts in the station was estimated at 93.33% of the target. Inspection of some roads maintained using contracts yielded the following observations;

Observations

Gulu-Patiko Road (33km)*:* The road had reached substantial completion and 91% of the budget was expended. The scope of works executed in the first call off order included heavy grading, shaping, gravelling the entire road, bush clearing, installation of 9lines of concrete encased 900mm diameter culverts, installation of several access culverts, construction of side drains and opening of offshoots.

c) Lira UNRA Station

The station had a total road network of 1,048.8km, of which 151km (14.4%) was paved and 897.8km (85.6%) unpaved. The road network traversed 10 districts that included Lira, Pader, Agago, Kitgum, Kole, Otuke, Alebtong, Apac, Amolatar, and Dokolo. The condition of the road network was: 64.6% in good condition, 21.5% in fair condition, and 13.9% in poor condition.

i) Implementation by Force Account

The station has an annual budget of Ug shs 3,500,000,000. By 31st December 2018, the station had received a total of Ug shs 1,516,961,320 (43.3%) for its force account activities, of which Ug shs 1,144,342,138 (75.4%) was expended. The station planned to execute routine manual and mechanised maintenance activities and the performance is as shown in table 12.50.

Table 12.50: Performance of Force Account at Lira UNRA Station by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Mechanised Maintenance (paved)	46.6	11.8	2.231	36.0% of the semi-annual target was achieved.
Routine Mechanised Maintenance (unpaved)	254	108.0	40.812	100% of the semi-annual target was achieved.
Routine Manual Maintenance (paved)	151	110.4	6.784	Very good performance (100% of target achieved).
Routine Manual Maintenance (unpaved)	710.1	492.4	30.314	
Overall physical performance			**80.14**	**Good performance**

Source: Lira Station Annual work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The overall physical performance of the force account works at the station was estimated at 80% of the semi-annual targets. which is a good performance. The station was operating amidst several challenges including: Inadequate supervision transport, inadequate staff to effectively supervise ongoing maintenance activities, lengthy procurement process coupled with the low threshold (Ug shs 5 million) for micro procurement; inadequate road equipment. This collectively affected the progress of work and consequently funds absorption. Below are the observations from the field inspection of some of the sampled roads.

Observations

- ***Agweng-Aromo Road (18km):*** The road received routine mechanized maintenance in Q2. The scope of works involved heavy grading of the entire road, spot gravelling, and opening mitre drains. The road was generally in a good motorable condition for the entire section.

Agweng-Aromo Road (18km) after Routine mechanized maintenance in Q2 FY 2018/19

ii) Implementation by Contracts

In FY 2018/19 maintenance works using contracts were planned on a total of 303.9km (29% of total network), of which 131.8km were planned to have routine mechanised maintenance using framework maintenance contracts; and 172.4km were planned to have mechanised maintenance using term maintenance contracts. During Q1-Q2 FY2018/19, the station supervised a total of five (5) contracts as shown in table 12.51.

Table 12.51: Performance of Contracts at Lira UNRA Station by 31st December 2018

Contract Name	Cum. Annual Target km	Cum. Achieved Quantity (Q1-Q2) km	Weighted Physical Performance (%)	Remark
Term Maintenance of Lira-Aduku-Apac, & Ngetta- Puranga (91.8km)	88.3	88.6	23.723	Contractor: M/S Tegeka Enterprises ltd Contract sum: Ug Shs 10, 353,433,938 Commencement date: 23rd May, 2016 Completion date: 22nd May, 2019 The cumulative physical progress was at 88.6% The scope of works was: site clearance, grading, gravelling, and culvert installation.

Contract Name	Cum.	Cum.	Weighted	Remark
Term Maintenance of Apac- Akokoro-Masindi Port (80.6km)	78.67	79.6	20.138	Contractor: M/s Upland Enterprises & Construction Co. Ltd Contract sum: Ug Shs 8, 788,950,623 Commencement: date: 27th June, 2016 Completion date: 26th June, 2019 The cumulative physical progress was at 79.6% The scope of works was: site clearance, grading, gravelling, and culvert installation.
Mechanized Maintenance under Frame Work Contract of Dokolo – Ochero, (44.0km) Road	40.5	87.9	22.263	Contractor: Jb United Civil Engineering & Building Contractors Ltd Contract sum: Ug Shs 3,238,869,259 Commencement: date: 18th September, 2018 Completion date: 18th March, 2019 The cumulative physical progress was at 87.9% The scope of works was: site clearance, grading, gravelling, and culvert installation.
Mechanized Maintenance under Frame Work Contract of Amii - Kidilan - Atura-Aber-Atapara (39.5km)	40.5	87.9	21.399	Contractor: Jb United Civil Engineering & Building Contractors Ltd Contract sum: Ug Shs 3,028,053,521 Commencement: date: 22nd October, 2018 Completion date: 22nd April, 2019 The cumulative physical progress was at 87.9% The scope of works was: site clearance, grading, gravelling, and culvert installation.
Mechanized Maintenance under Frame Work Contract of Olilim - Adwari-Okwang (48.0km)	37.5	67.5	12.477	Contractor: TIC Lokere Enterprises Limited Contract sum: Ug Shs 3,714,569,842 Commencement: date: 23rd October, 2018 Completion date: 22nd April, 2019 The cumulative physical progress was at 67.5% The scope of works was: site

Contract Name	Cum.	Cum.	Weighted	Remark
				clearance, grading, gravelling, and culvert installation
Overall physical performance			**100.00%**	**Very good performance**

Source: Lira Station Quarterly progress reports FY 2018/19, December 2018 Projects status report and Author's compilation

Some roads under maintenance contracts were sampled for inspection and the following were observed;

Observations

- ***Amii - Kidilan - Atura-Aber- Atapara (39.5km):*** Works under the framework contract commenced in Q2 and were still on going by January 2019. The scope of works included grading, gravelling, swamp raising and widening, culvert installation, and drainage improvement.

- ***Lira-Aduku-Apac Road:*** The road was undergoing the 6th cycle of mechanized maintenance under a term maintenance contract. Gravelling works were ongoing by January 2019 with gravel dumped at several sections of the road. The works also involved drainage improvement and manual maintenance activities like opening of mitre drains.

A swamp scection Amii - Kidilan - Atura-Aber-Atapara road that was raised and widened during mechanized maintenance under the term maintenance contract in Q2 FY2018/19

Ongoing gravelling works on Lira-Aduku-Apac road that was under mechanized maintenance using term maintenance contract

d) Luwero UNRA Station

The station has a total road network of 1,208.5km, of which 235.6km (19.5%) was paved and 972.9km (80.5%) unpaved. The road network traverses five (5) districts: Luwero, Nakaseke, Nakasongola, part of Wakiso and Part of Mukono. The condition of the road network was: 80.9% in good condition, 13.7% in fair condition, and 5.4% in poor condition in the FY 2018/19.

ii) Implementation by Force Account

The station received a total of Ug shs 3,253,236,275 (85.61% of its annual budget) for its force account activities, of which a total of Ug shs 2,203,487,004 (67.73%) was spent by 31st December 2018. The funds released were inclusive of an emergency of Ug shs 277,734,975. The station planned to execute routine manual and mechanised maintenance on both paved and unpaved roads as shown in table 12.52.

Table 12.52: Performance of Force Account under Luwero UNRA Station by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance (paved)	241	239	11.784	Semi-annual target was achieved.
Routine Manual Maintenance (unpaved)	965	958	47.738	
Routine Mechanised Maintenance (paved)	247	41	0.530	13.4% of the semi-annual target was achieved.
Routine Mechanised Maintenance (unpaved)	349	175	32.848	91.1% of the semi-annual target was achieved.
Overall physical performance			**92.90**	**Very good performance**

Source: Luwero Station work plan, Quarterly progress reports FY 2018/19, and Author's compilation

The overall physical performance of the force account works at the station was 92.90% of the semi-annual targets which was a very good performance. This was attributed to the very good release of the annual budget. However, absorption of funds was just fair and this was mainly attributed to lengthy procurement process for inputs such as casual labour and materials, and equipment constraints.

Observations

Kakiri-Masulita-Danza-Mawale (23 km): The scope of works involved site clearance, grading, spot gravelling, drainage works and stone pitching at Ug shs 48,934,000. The works started in Q1 and were completed in Q2. The road was in a fair motorable condition. The road had emergency works on the Mayanja swamp section at km 14 from Mawale which included; installation of three lines of 1.5m diameter relief culverts and 4 lines of 2.5m Armco culverts surrounded by gabion walls; river training; headwall construction; and swamp filling. This emergency was caused by the heavy rains of November 2018 which caused the river to burst on the 18th November 2018.

Kalule-Bamunanika (11.4 km): The scope of works involved medium grading, spot gravelling, and drainage improvement works at Ug shs 115,987,100. The works were carried out in Q1 in the months of July and August 2018 at Ug shs 112,719,750. The road was in a fair motorable condition.

A section of Mawale-Danza-Kakiri Road at 0+000 from Mawale

Emergency works of swamp raising along Mawale-Danza-Kakiri Road at 13+800 from Mawale

ii) Implementation by Contracts

In FY 2018/19 maintenance works using contracts were planned to have routine mechanised maintenance using framework maintenance contracts only. During the Q1-Q2 FY2018/19, the station supervised a total of two (2) contracts as shown in table 12.53.

Table 12.53: Performance of Contracts at Luwero UNRA Station by 31st December, 2018

Contract Name	Annual Target %	Achieved Quantity (Q1-Q2) %	Weighted Physical Performance (%)	Remark
Mechanised Maintenance of Selected National Unpaved Roads under Framework Contracts for 3 Years Totaling to 568 Km Lot 02: Luwero Station. Call off order Number One: Road Links: C311 Bombo-Ndejje-Kalasa (20Km); C312 Kalule-Bowa-Nakaseke-Kiwoko (37Km);C302 Wobulenzi-Bamunanika-Zirobwe (24Km); C313 Katikamu-Kikyusa-Bamugolodde (49Km); C325 Bamugolodde-KazwamaNakasongola(53Km)	100	91	74.98	Contractor: M/s Networld (U) Ltd Contract sum: Ug Shs 5,812,506,653 Commencement date: 2nd July, 2018 Completion date: 2nd January, 2019 The contractor completed heavy grading works on the six roads as well as construction of drainage works of reinforced concrete culverts encased in concrete. Pending works were gravelling and erection of end structures.
Mechanised Maintenance of Selected National Unpaved Roads under Framework Contracts for 3 Years Totaling to 568 Km Lot 02: Luwero Station. Call Off Order No. 002 Road Links: C329 Kyabakadde-	100	8	5.00	Contractor: M/s Networld (U) Ltd Contract sum: Ug Shs 1,939,194,300. Commencement date: 4th December, 2018 Completion date: 25th January,

Contract Name	Annual Target	Achieved Quantity	Weighted Physical	Remark
Namasumbi-Lwajjali-Busiika-Kayindu (27.8Km)				2019 The contractor was clearing debris, cutting to spoil as well as ferrying rock and gravel fill material.
Overall physical performance			**79.98**	**Very Good performance**

Source: Luwero Station Quarterly progress reports FY 2018/19 and Author's compilation

The performance of contracts at Luwero UNRA station was good at 80% of the semi-annual targets. This was attributed to the efficient execution of the Call-off order one of the framework contracts.

Observations

Bombo-Ndejje-Kalasa (20km): This was under routine mechanized maintenance using framework contracting. Grading and spot gravelling works were carried out in Q1; and culverts were installed. The graveled sections were in a good motorable condition, while the ungravelled sections were fair with rutting progressing.

Kyabakadde-Namasumbi-Lwajjali-Busiika-Kayindu (27.8Km): This was under routine mechanized maintenance using framework contracting under call-off order number 2. Grading and shaping was carried out in Q1, while spot gravelling and culverts installation was done in Q2. Two lines of culverts of Armco culverts of 2.1m diameter were installed at Lwajali swamp (km 17+300). The road was in a good motorable condition.

A section of swamp raising of Lwajjali swamp along Kyabakadde-NamasumbiLwajjali-Busiika-Kayindu

A section of Bombo-Ndejje-Kaalsa road at 0+000

e) Masaka UNRA Station

The station has a total road network of 1,092.8km, of which 240.5km (22%) paved and 852.3km (78%) unpaved. The network included 527.8km of roads from the additional road network that was upgraded to national roads. The road network traverses 10 districts that included Bukomansimbi, Gomba, Kalagala, Kalungu, Kyotera, Lwengo, Lyantonde, Masaka, Rakai and

Sembabule. The condition of the road network was: 46.5% in good condition, 50% in fair condition, and 3.5% in poor condition.

iii) Implementation by Force Account

The station received a total of Ug shs 1,920,971,990 (69.44% of its annual budget) for force account activities of which Ug shs 1,292,004,373 (67.3%) was spent by 31st December 2018. The station planned to execute routine manual and mechanised maintenance on both paved and unpaved roads as shown in table 12.54.

Table 12.54: Performance of Force Account in Masaka UNRA Station by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance (paved)	240.5	109.3	17.039	Semi-annual targets were achieved.
Routine Manual Maintenance (unpaved)	476.8	216.7	33.783	
Routine Mechanised Maintenance (paved)	131.0	86.0	18.747	97.9 % of the semi-annual target was achieved.
Routine Mechanised Maintenance (unpaved)	175.8	98.0	17.243	57.4% of the semi-annul targets was achieved
Overall physical performance			**86.81**	**Good performance**

Source: Masaka Station work plan, Quarterly progress reports FY 2018/19, and Author's compilation

The overall physical performance of the force account works at the station was estimated at 87% of the semi-annual targets which was a good performance. The station did not achieve all the targets due to: aged equipment which were frequently having mechanical breakdowns; delayed procurement of culverts; and delayed release of funds to the station.

Observations

- ***Routine mechanised maintenance of Taba-Kyesiga-Dimo (18.0km):*** The scope of works involved full grading, spot graveling of 3km, and installation of 3 lines culverts. Only grading had been carried out while other works were on going.
- ***Routine mechanised maintenance of Kyesiga-Malembo (13.0km):*** The scope of works was grading, graveling, installation of culverts and drainage improvement. The works commenced in Q1 and were ongoing at about 75% progress. A total of Ug shs 217,467,000 was expended by the close of Q2 against a budget of Ug shs 267,816,000. The road was in a fair motorable state.

A section of Taba-Kyesiga-Dimo Road at km 0+000

Dumped gravel heaps at km 5+400 along Taba-Kyesiga-Dimo road

iii) Implementation by Contracts

In FY 2018/19 maintenance works using contracts were planned on a total of 295.5km (35.4% of total network), of which 120km were planned to have routine mechanised maintenance using framework maintenance contracts; and 175.5km were planned to have mechanised maintenance using term maintenance contracts. During Q1-Q2 FY2018/19, the station supervised a total of six (6) contracts as shown in table 12.55.

Table 12.55: Performance of Contracts at Masaka UNRA station by 31st December 2018

Contract Name	Annual Target %	Achieved Quantity (Q1-Q2) %	Weighted Physical Performance (%)	Remark
Term maintenance of selected National Roads Phase v (21 lots) lot 18: Kyapa-Kasensero(41km) and Lyantonde-kaliro-Ntuusi (58km)	62	2	1.32	Contractor: M/S Summit projekt Ltd Contract sum: Ug Shs 9,663,962,000 Commencement date: 14th April, 2015 Completion date: 14th April, 2018 The cumulative physical progress was at 40% (60% below the planned progress), against a time progress of 103%. The contractor resumed work after a termination notice and was to pay liquidated damages for 100 days as agreed on 11th July 2018.

Contract Name	Annual Target	Achieved Quantity	Weighted Physical	Remark
Term maintenance of selected National Roads Phase v (21 lots) lot 17: Villa Maria-Kyamulibwa-Kanulasoke (48km) and Kyabakuza-Kiwangala-Ndagwe-Kabale (62km)	40	15	13.39	Contractor: M/S Assured Engineering Services Ltd Contract sum: Ug Shs 8,413,815,520 Commencement date: 14th April, 2015 Completion date: 21st April, 2018 The cumulative physical progress was at 75% (15% below the planned progress) against a time progress of 122%. The contractor was on site, but behind schedule. Extension of time by 6 months was approved on 11th June, 2018. The contractor was doing swamp raising works in the low lying sections and installing culverts. The road was in a motorable condition.
Term maintenance of selected National Roads Phase V11 (14 lots) lot 13: Rakai-Ntantumkye (50km)	46	6	3.10	Contractor: M/s NICONTRA LTD Contract sum: Ug Shs 5,595,275,620 Commencement date: 29th June 2016 Initial completion date: 29th June 2019 The cumulative physical progress was at 60% against a planned progress of 75%.
Term maintenance of selected National Roads Phase V11 (14 lots) lot 14: Sembabule-Nkonge (58km)``	52	2	0.99	Contractor: M/s EMTEC Technical Services Ltd Contract sum: Ug Shs 6,064,230,040 Commencement date: 28th June 2016 Initial completion date: 29th June 2019 The cumulative physical progress was at 50% against a planned progress of 73%. The contractor was doing manual maintenance and was to resume medium grading from Km 29 to km 58.
Periodic Maintenance of 4 Selected Unpaved National Roads Totaling to 234.5km Lot 02: Kyabakuza-Kyojja-Matete-Kaliro Road (70km)	44	29	8.83	Contractor: M/s EMTEC Technical Services Ltd Contract sum: Ug Shs 2,550,949,960 Commencement date: 13th June 2017 Initial completion date: 13th June 2018 The cumulative physical progress was at 50% against a planned progress of 73%. Extension of time was granted at no additional costs and the contract ended on 10th December 2018.

Contract Name	Annual Target	Achieved Quantity	Weighted Physical	Remark
Framework Contract for the Mechanized Maintenance of selected Unpaved Roads Totaling to 28km. Call off Order 01: Masaka-Kidda-Lusakalwamese (31.3km) and Bikira-Kabira-Kalisizo (32.3km)	100	90	25.26	Contractor: M/s Enterprises (U) Ltd Contract sum: Ug shs 19,170,106,780 Commencement date: 14h June 2018 Initial completion date: 26th February 2019 Cost estimate for call-off order No.1: Ug Shs 4,408,970,880 Expenditure: Ug shs 3,228,550,730 Call-off order duration: 6 months The cumulative physical progress of the call-off order works was at 90% against a planned progress of 100%. .
Overall physical performance			**52.89**	**Fair performance**

Source: Masaka Station Quarterly progress reports FY 2017/18 and Author's compilation

The performance of contracts at Masaka UNRA station was fair at 52.89% of the semi-annual targets.

Observations

- **Masaka-Kidda-Lusakalwamese (31.3km) and Bikira-Kabira-Kalisizo (32.3km) under framework contracts:** The scope of works was widening, grading, stone pitching and other drainage works. The road had been graded, stone pitching completed, culverts installed at several sections with end structures constructed. The road was in a good motorable condition although some sections of on Bikira-Kabira-Kalisizo road were bumpy. The quality of works was good.

- **Kyabakuza-Kiwangala-Ndagwe-Kabale (62km) under Term maintenance contracts:** The scope of works was manual maintenance, grading, gravelling and drainage improvement. The road had been graded, and dumping of gravel at the swampy section was ongoing. The road was generally in a good motorable condition.

A culvert at Km 13+000 on Masaka-Kidda-Lusakalwamese

Swamp raising works at Km 12+400 along A section of Kyabakuza-Kiwangala-Ndagwe-Kabale at 13+000

Observations

Kapir-Ngora-Mukongoro (44km): The road had undergone the 5th cycle of maintenance out of the contractual 6 cycles as a replacement of Soroti–Katakwi road, where the contract for upgrading to paved standard had commenced. The road was graded and fully graveled with a good riding surface and culverts had been installed in several selected sections.

A section of Kapir-Ngora-Mukongoro (44km) in good condition after the 5th cycle of mechanized maintenance under term maintenance

f) Mbarara UNRA Station

The station has a total road network of 979.2km, of which 338.4km (34.5%) was paved and 640.8km (65.5%) unpaved. The road network traverses seven (7) districts that included Mbarara, Isingiro, Sheema, Rubirizi, Ntungamo, Mitooma and Bushenyi. The condition of the road network was: 75.9% in good condition, 19.3% in fair, and 4.97% in poor condition in FY 2018/19.

iv) Implementation by Force Account

The station received a total of Ug shs 1,532,869,000 (38.32% of its annual budget) for force account activities, of which Ug shs 1,454,697,253 (94.9%) was spent by 31st December 2018. The station planned to execute routine manual and mechanised maintenance on both paved and unpaved roads as shown in table 12.56.

Table 12.56: Performance of Force Account in Mbarara UNRA Station by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Manual Maintenance (paved)	345	259.4	18.33	89% of the semi-annual target was achieved.
Routine Manual Maintenance (unpaved)	632	563.8	33.48	89% of the semi-annual target was achieved.
Routine Mechanised Maintenance (paved)	60	40.0	12.83	Semi-annual target was achieved.
Routine Mechanised Maintenance (unpaved)	234	79.9	21.60	80% of the semi-annual target was achieved.
Bridges	10	0.0	0.00	Semi-annual target was not achieved.
Overall physical performance			**86.25**	**Good performance**

Source: Mbarara Station work plan, Quarterly progress reports FY 2018/19, and Author's compilation

The overall physical performance of the force account works at the station was estimated at 86.25% of the semi-annual targets, which is a good performance. The station did not achieve all the targets due to: aged equipment which are prone to frequent mechanical breakdown and delayed procurement of culverts.

Observations

- ***Stone pitching of State Lodge road (0.5km):*** The road in Mbarara Municipality was undergoing stone pitching of its side drains which commenced in Q2 and were still ongoing in January 2019.The works were budgeted for at Ug shs 24,425,000.
- ***Routine maintenance of Rugaga-Rushaha-Endiizi (54.9km):*** The scope of works involved grading of 35km, gravelling of 5km, spot swamp raising of 4km and installation of 900mm diameter cross culverts of 7m length each. The budget for the road works was Ug shs 98,073,000. The works started in Q1 and were completed in Q2. The road was in a good motorable condition for the graveled section and fair for ungravelled sections. However, it had clayey soils that become water logged after the rains.

Stone pitching works along State Lodge road

A water logged section with clayey soils on Rugaga-Rushaha-Endiizi road

iv) Implementation by Contracts

In FY 2018/19 routine mechanised maintenance works using contracts were planned to make use of framework; term maintenance; and periodic maintenance contracts. During Q1-Q2 FY2018/19, the station supervised a total of eight (8) contracts as shown in table 12.57.

Table 12.57: Performance of Contracts at Mbarara UNRA Station by 31st December, 2018

Contract Name	Annual Target %	Achieved Quantity (Q1-Q2) %	Weighted Physical Performance (%)	Remark
Periodic Maintenance of 06 Selected Unpaved National Roads Totaling to 205km Lot 04: Nyakiraguju-Bugamba-Kitwe road (53km)	50	35.00	9.91	Contractor: M/S EFRA ltd Contract sum: Ug shs 2,556,639,920 Commencement date: 30th June 20147 Completion date: 28th February, 2018 The cumulative physical progress was at 85% (15% below the planned progress). The Contract was substantially completed and under Defects liability period until 16th January 2019.
Term maintenance of 24 selected national roads: Phase IV-11 Lots: Lot 10 Kabwohe-Kitagata-Kabira (51km) and Kabira-Rukungiri (15km)	4	4.00	2.20	Contractor: M/S RODO Contractor Contract sum: Ug shs 4,188,614,100 Commencement date: 14th October, 2014 Completion date: 14th Feb 2017 The contract was substantially completed on 12th March 2018.The defects Liability Period expired on 13th July 2018. The contractor was handling the defects in the snag list.

Contract Name	Annual Target	Achieved Quantity	Weighted Physical	Remark
Framework Contract for three years of Mechanized Maintenance of selected Unpaved Roads Totaling to 134km. Lot 14: Kahunga-Nyakera (31km)	100	51.10	13.87	Contractor: Nicontra Limited Contract sum: Ug shs 1,576,954,120 Commencement date: 5th June, 2018 Completion date: 5th April, 2019 Expenditure: Ug shs 349,986,541 51.1% against a target plan of 85%. The contractor was behind schedule and was advised to double mobilization. Gravelling and drainage works were on-going.
Framework Contract for three years of Mechanized Maintenance of selected Unpaved Roads Totaling to 134km. Lot 14: Nyamukana-Kahambo Road (20km)	28	11	12	Contractor: M/s Nicontra Limite Contract sum: Ug Shs 1,379,920,320 Commencement date: 15th October 2018 Completion date: 15th May 2019 The cumulative physical progress was at 11% against a target plan of 28%. Bush clearing was complete.
Framework Contract for three years of Mechanized Maintenance of selected Unpaved Roads Totaling to 707km. Lot 13: Mitooma-Ruhinda Road (15km)	100	24	5.00	Contractor: M/s Efra Ltd Contract sum: Ug Shs 987,026,930 Commencement date: 12th October 2018 Completion date:12th October 2019 The cumulative physical progress was at 24% against a target plan of 33%. Grading was complete pending culvert installation. Heavy rains affected the progress of works.
Framework Contract for three years of Mechanized Maintenance of selected Unpaved Roads Totaling to 707km. Lot 13: Ntare-Mutonto-Kachwangobe Road (39km)	100	25	12.66	Contractor: M/s Efra Ltd Contract sum: Ug shs 1,799,111,898 Commencement date: 19th October 2018 Completion date: 19th June 2019 The cumulative physical progress was at 20%, against a target plan of 25%. Heavy grading was ongoing however heavy rains affected progress.
Framework Contract for three years of Mechanized Maintenance of selected Unpaved Roads Totaling to 707km. Lot 13: Kikagati-Kafunjo Road (30km)	100	19	7.33	Contractor: Wanaik Construction Co. Lt Contract sum: Ug shs 2,798,266,695 Commencement date: 4th October, 2018 Completion date: 4th April, 2019 T he cumulative physical progress was at 19% against a target plan of 40%. Grading works were completed. The contractor was embarking on culvert installation and gravelling.

Contract Name	Annual Target	Achieved Quantity	Weighted Physical	Remark
Framework Contract for three years of Mechanized Maintenance of selected Unpaved Roads Totaling to 707km. Lot 13: Isingiro-Rugaga road (30km)	100	23	18.11	Contractor: Wanaik Construction Co. Lt Contract sum: Ug shs 2,798,266,695 Commencement date: 15th October, 2018 Completion date: 15th May, 2019 The cumulative physical progress was at 23% against a target plan of 29%. Heavy grading works were ongoing.
Overall physical performance			**81.23**	**Good performance**

Source: Mbarara Station Quarterly progress reports FY 2018/19 and Author's compilation

Overall the performance of contracts at Mbarara UNRA Station was good at 81.23 % of the semi-annual targets. This was attributed to the fact that majority are framework contracts that are short term instructions for works. These were being efficiently executed.

Observations

Mechanised maintenance of Kikagati-Kafunjo road (30km) under framework contracts: The scope of works was grading of the entire stretch and gravelling of 30km. The road was graded, while gravelling was ongoing. The quality of works was good.

Mechanised maintenance of Isingiro- Rugaga road (30km) under framework contracts: The scope of works was grading of the entire stretch, gravelling of 15km and culvert installation. The road was graded, while gravelling and culvert installation were ongoing. The road was generally in a good condition and the quality of works was good.

Periodic maintenance of Nyakiraguju-Bugumba-kitwe (15km): The scope of works was heavy grading, shaping, regravelling and drainage works. The works were completed and were under the defects liability period and the road was in a fair motorable condition. All the concrete pipe culverts were encased with concrete and had been provided with headwalls. Offshoots were created.

A section of Kikagati-Kafunjo Road	Culvert installation works at 15+500 along Isingiro-Rugaga road

g) Moroto UNRA Station

The station had a total road network of 833.9km, of which 97km (11.6%) was paved and 736.9km (88.4%) unpaved. The network included 500km of roads from the additional road network that was upgraded to national roads. The road network traversed 5 districts that included Moroto, Amudat, Nabilatuk, Nakapiripirit, and Napak. The condition of the road network was: 76.8% in good condition, 10.7% in fair condition, and 12.5% in poor condition.

v) Implementation by Force Account

The station had an approved annual budget of Ug shs 3,000,000,000, of which Ug shs 1,389,830,458 (46.3%) was received for force account activities and Ug shs 1,105,304,729 (79.5%) was expended by 31st December 2018. The low financial release was attributed to a low absorption capacity of the station due to inadequate equipment. The station planned to execute routine manual and mechanised maintenance on both paved and unpaved roads as shown in table 12.58.

Table 12.58: Performance of Force Account in Moroto UNRA Station by 31st December 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Mechanised Maintenance (paved)	5.5	5.5	4.438	5.5km of stone pitching done on municipal roads. Target was achieved
Routine Mechanised Maintenance (unpaved)	736.925	143.2	23.862	43.8% of target achieved. Performance was affected delay in quarterly releases coupled with inadequate equipment.
Routine Manual Maintenance (paved)	96.968	75.7	5.253	Target was achieved.
Routine Manual Maintenance (unpaved)	484.98	351.61	22.192	Target was achieved.
Overall physical performance			**55.74**	**Fair performance**

Source: Moroto Station work plan, Quarterly progress reports FY 2018/19, and Author's compilation

The overall physical performance of the force account works at the station was fair (55.7%). The underperformance was due to: aged equipment which is prone frequent mechanical breakdown; delayed procurement of culverts which is handled at regional level; delayed release of funds to the station. Some roads reported on were sampled for inspection and the following were observed;

Observations

- ***Nabilatuk – Angatun Road (25.6km):*** The scope of works involved heavy grading, spot graveling, and installation of 3 lines of 900mm diameter culverts. The works commenced in Q1 and were ongoing. A total of Ug shs 84 million was expended by the close of Q2 against a budget of Ug shs 99.4 million. The road was generally in a good motorable state.
- ***Municipal Drainage works in Moroto Municipality (5.5km):*** The scope of works involved stone pitching of 5.5km side drains and installation of access culverts. The works were executed in Q1 & Q2 at a cost of Ug shs 65.9million.

Ongoing gravelling works along Nabilatuk – Angatun Road (25.6km)

Stone pitching works on Moroto Municipal roads under RMeM in Q1

v) Implementation by Contracts

In FY 2018/19 maintenance works using contracts were planned on a total of 295.5km (35.4% of total network), of which 120km were planned to have mechanised maintenance using framework contracts; and the 175.5km using term maintenance contracts. During the half year period FY2018/19, the station supervised a total of four (4) contracts as shown in table 12.59.

Table 12.59: Performance of Contracts at Moroto UNRA Station by 31st December 2018

Contract Name	Cum. Annual Target %	Cum. Achieved Quantity (Q1-Q2) %	Weighted Physical Performance (%)	Remark
Term Maintenance contract for mecahnised maintenance of Matany-Lokupo-Turtuko (29.9km) and Turtuko-Apeitolim (37.8) roads	87	69.0	19.739	Contractor: Capital Logistics and Construction Company Ltd Contract sum: Ug shs 7,617,291,152 Commencement date: 4th June, 2016 Completion date: 30th June, 2019 The cumulative physical progress was at 69% (18% below the planned progress)

Contract Name	Cum. Annual	Cum. Achieved	Weighted Physical	Remark
				against at time progress of 83% The scope of works was: site clearance, grading, gravelling, and culvert installation.
Term Maintenance contract for mechanized maintenance of Moroto-Lokitanyala Road (44km) roads	88	78.0	13.619	Contractor: Strakon Limited Contract sum: Ug Shs 4,703793,644 Commencement date: 16th May, 2016 Completion date: 16th May, 2019 The cumulative physical progress was at 78% (10% below the planned progress) against at time progress of 86% The scope of works was: site clearance, grading, gravelling, and culvert installation.
Term Maintenance contract for mecahnised maintenance of Chosan-Amudat (30.8km) and Cosan-Namalu (33km) Roads	114	99	20.517	Contractor: Rocktrust Contractors limited Contract sum: Ug Shs 7,232,737,000 Commencement date: 1st April, 2015 Initial completion date: 1st April, 2018 Extended completion date: November, 2018. Cycle: 6 of 6 – in defects liability period The cumulative physical progress was at 99% and the road was under defects liability period.
Framework contract for Mechanised maintenance of Amudat-Karita (68km) and Amudat-Looro (52km)	86	54	22.680	Contractor: Strakon Limited Call Off Order No.1- Ammount: Ug Shs 3,685,806,110 Commencement date: 8th August, 2018 Completion date: 8th August, 2021 The cumulative physical progress for the first call off order was at 54% (32% below the planned progress) against at time progress of 83%
Overall weighted physical performance			**76.56%**	**Good performance**

Source: Moroto Station Quarterly progress reports FY 2018/19, December 2018 Projects status report and Author's compilation

Overall the performance of contracts at Moroto UNRA station was good at 76.56% of the semi-annual targets. Some roads were sampled for inspection and the following were observed;

Observations

Moroto-Lokitanyala Road (44km): The road was undergoing the 5th cycle of maintenance out of the contractual 6 cycles. The road was graded and gravelling was still in progress, plus installation of culverts at several sections. The road was generally in a good condition. However due to mining activities in the area, the road is traversed by heavy trucks which leads to rapid deterioration.

Culvert installation was ongoing along Moroto-Lokitanyala Road during the of 5th cycle of term maintenance

A heavy truck loaded with marble on Moroto-Lokitanyala Road. This accelerates the deterioration of the road

h) Soroti UNRA Station

The station had a total road network of 1,058km, of which 124km (11.7%) was paved and 934km (88.3%) unpaved. The network included 614km of roads from the additional road network that was upgraded to national roads. The road network extended to 9 districts that included Amuria, Dokolo, Kaberamaido, Kapelabyong, Katakwi, Kumi, Ngora, Serere and Soroti. The condition of the road network was: 79.9% in good condition, 16.5% in fair condition, and 3.6% in poor condition.

iii) Implementation by Force Account

The station had an approved annual budget of Ug shs 3,000,000,000 for road maintenance, of which a total of Ug shs 1,719,924,934 (57.3%) was received for force account activities and Ug shs 1,238,218,566 (86.7%) spent by 31st December 2018. The station planned to execute routine manual and mechanised maintenance on both paved and unpaved roads as shown in table 12.60.

Table 12.60: Performance of Force Account at Soroti UNRA Station by 31st December, 2018

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
Routine Mechanised Maintenance (paved)	14	6.5	3.864	57.2% of the semi-annual annual target was achieved.
Routine Mechanised Maintenance (unpaved)	766	140.6	9.174	26.4% of the semi-annual target was achieved.
Routine Manual Maintenance (paved)	14	7.8	0.773	Worked for five months out of six covering 0.06% and 21.7% of the paved and unpaved network
Routine Manual Maintenance (unpaved)	255.4	202.5	57.748	

Output	Annual Target (km)	Cum. Achieved Quantity (km)	Weighted Physical Performance (%)	Remark
				respectively.
Overall physical performance			**71.56**	**Good performance**

Source: Soroti Station Annual work plan, Quarterly progress reports FY 2018/19 and Author's compilation

The overall physical performance of the force account works at the station was good (71.6%). Key achievements were mechanised maintenance works on 140km of the network and manual maintenance works carried out for five out of six months on the roads. However, the station faced a number of challenges including: Inadequate supervision transport, lack of key equipment like vibro roller and excavator among others. The monitoring team inspected some of the works executed in Q1 and Q2 and the observations are detailed below;

Observations

- ***Soroti-Serere Road (27km):*** The scope of works involved heavy grading of 25.7km of the road, installation of two 10m lines of 900mm diameter encased concrete culvert crossings, and opening of offshoots. The works were executed in Q2 at a cost of Ug shs 30,370,000 and the balance of work to be done was 1410m^3 (about 6km) of spot re-gravelling. The road was generally in a good motorable condition for the entire section.

- ***Serere-Kateta-Kyere Road (27.3km):*** The scope of works involved heavy grading of the entire road and installation of 112m of 900mm diameter culverts. Works were executed in Q1 and Q2 at a cost of Ug shs 59,516,697.

Serere-Kateta-Kyere Road (27.3km) after grading works under RMeM in Q1 FY 2018/19

Soroti-Serere Road (27km)-900mm diameter encased culvert installed at km 22+450 in Q2 FY 2018/19; pending construction of end structures

iv) Implementation by Contracts

In FY 2018/19 maintenance works using contracts were planned on a total of 284km (26.8% of total network), of which 156km were planned to have mechanised maintenance using framework maintenance contracts; 83km using term maintenance contracts; and 45km were planned to have periodic maintenance using regular contracting. By January 2019, the station had a total four (4) contracts running as shown in table 12.61.

Table 12.61: Performance of Contracts at Soroti UNRA Station by 31st December 2018

Contract Name	Cum. Annual Target (%)	Cum. Achieved Quantity (Q1-Q2) %	Weighted Physical Performance (%)	Remark
Framework contract for Mechanised maintenance of Amuria-Obalanga-Alito (39km) and Amuria-Amucu-kapelebyong (36km) roads	75	25	9.651	Contractor: Shajapa Technical Works Ltd Contract sum: Ug Shs 16,930,852,990 Call Off Order No.1- Amount: Ug Shs 3,853,492,258 Commencement date: 4th June, 2018 Completion date: 4th February, 2019 The cumulative financial progress was 13.5% of the Call Off Order amount against a physical progress of 25%. The scope of works was: site clearance, grading, gravelling, mechanized and manual drainage improvement.
Framework contract for Mechanised maintenance of Soroti-Gweri-Magoro (54km) and Magoro-Ngariam (27km) roads.	72	62.0	25.386	Contractor: Heaat general Contractors and Enginners Contract sum: Ug Shs 18,865,187,714 Call Off Order No.1- Amount: Ug Shs 3,923,641,999 Commencement date: 27th June, 2018 Completion date: 27th February, 2019 The scope of works was: site clearance, grading, gravelling, mechanized and manual drainage improvement. The cumulative financial progress was 44.8% of the Call Off Order amount against a physical progress of 62%. The contract was slightly behind schedule.
Periodic Maintenance of Serere-Pingire-Arapo-Mugarama & Arapo-Mulondo (45km)	100	92	12.968	Contractor: M/S Techno Three (u) LTD Contract sum: Ug Shs 1,817,355,958 Commencement date: 11th October, 2017 Initial completion date: 11th July, 2018 Extended completion date: 12th August, 2018

Contract Name	Cum. Annual	Cum. Achieved	Weighted Physical	Remark
				The scope of works was: site clearance, grading, gravelling, mechanized and manual drainage improvement. The achieved cumulative physical progress was 92% at an expenditure of Ug shs 707,907,725. The contract was under defects liability period.
Term maintenance of Kapir-Ngora-Mukongoro (44km), Mukongoro-Kidongole (14km), Sorti-Brooks Corner (25km) roads	81	84.0	27.472	Contractor: Shajapa Technical Works Ltd Contract sum: Ug Shs 10,969,151,380 Commencement date: 29th June, 2016 Completion date: 29th June, 2019 The achieved cumulative physical progress was 84% at an expenditure of Ug shs 707,907,725. The scope of works was: site clearance, grading, gravelling, mechanized and manual drainage improvement.
Overall weighted physical performance			**75.48%**	**Good performance**

Source: Soroti Station Quarterly progress reports FY 2018/19, December 2018 Projects status report and Author's compilation

Key observations

a) Prolonged rains greatly affected the performance of the gravel roads with some roads being rendered impassable despite the fact that they had been worked on.

Key issues, risks, and recommendations for NRM Programme

i) Obsolete equipment associated with frequent breakdown and inadequate for the road network affected force account. The UNRA stations do not have excavators for excavating and loading gravel, as well as the low bed to facilitate transportation of the equipment such as rollers to the required destinations. - *There is a risk of high costs for equipment hire leading to less maintenance works.*

ii) Delayed supplies procurements following the limitation of micro procurements at stations to a meagre Ug shs 5 million threshold, and tardiness in consolidation of requirements for macro procurements at regions. This is aggravated by the fact that most of the contract committee members are spread all over their regions of operation and so decision making takes long. - *There is a risk of delayed implementation of planned works and loss of funds to Treasury at the end of FY.*

iii) Difficulties in acquisition of locally available materials like gravel, hardcore, sand, etc. required for force account works due to rigid procurement law. The law prohibits direct purchase from material owners and this has resulted into bloated material prices quoted by providers, who are actually middle persons, and protracted lead times - *There is a risk of delayed implementation of planned works and high cost of maintenance.*

iv) Late downstream disbursement of funds leading to delays in implementation of works - *There is a risk of delayed implementation of planned works.*

Recommendations

i) The UNRA should plan and improve the equipment capacity of stations in order to enhance efficiency and effectiveness.

ii) The UNRA in coordination with PPDA should review procurement processes at stations to make them faster.

iii) The PPDA should issue a user-friendly force account guideline that allows PDEs to directly purchase locally available construction materials from material owners.

iv) The UNRA should improve timeliness in downstream disbursement of funds to stations.

Conclusion

Overall the performance of the NRM programme was good with 79.5% of the semi-annual output targets achieved. The physical performance of the force account and contract components of the NRM programme were good at 78.5% and 80.4% respectively. This resulted in the average national road network condition of: 70.5% in good condition, 23% in fair condition, and 6.5% in poor condition. That notwithstanding, the force account component of the programme was affected by lack of key equipment to facilitate timely implementation, and delayed procurement of supplies at regional level.

CHAPTER 13: SCIENCE, TECHNOLOGY AND INNOVATIONS

13.1 Introduction

The Science Technology and Innovations (ST&I) Sector was created in FY 2018/19 to coordinate all activities and programs relating to research, science, technology and innovation. The sector has two votes and three subventions namely; 1) Vote 110: Uganda Industrial Research Institute (UIRI) and 2) Vote 023, Ministry of Science, Technology and Innovations (MoSTI);Kiira Motors Corporation (KMC), Uganda National Council for Science and Technology (UNCST), and the Presidential Initiative on Banana Industrial Development Project (PIBID) are the subventions under vote 023.

13.1.1 Sector Objectives

The STI Sector is guided by four strategic objectives as provided in the second National Development Plan (NDP II):

- To enhance the integration of science, technology and innovation into the national development process.
- To increase transfer and adaptation of technologies
- To enhance research and development in Uganda and,
- To improve the science, technology and innovation legal and regulatory framework.

13.1.2 Scope

This chapter reviews progress of programmes and projects implemented by the MoSTI, and UIRI by 31st December 2018, as shown in Annex 13.1.

13.1.3 Limitations

- Insufficient financial information at output level from the votes affected the performance rating of the sector.

13.1.4 Overall Sector Performance

Overall sector performance was fair, rated at 65.6%. Most of the recurrent sub-programmes especially those under Finance and Administration exhibited good performance, while the development component performed poorly. This is attributed to the fact that some programmes did not realize the development budgets, late releases and delayed procurement.

The UNCST poor performance is attributed to the zero release to the National Science, Technology Engineering and Innovation Skills Enhancement Project (NTEISP) project. Kiira Motors Corporation was in the process of mobilizing equipment to clear the site for construction of a car assembly plant although it was behind schedule. Lack of additional resources in FY 2018/19 under the Innovation Fund affected the development of indigenous microbial mosquito larval pathogens for malaria vector control and sericulture projects among others.

Despite the challenges encountered, the sector exhibited efficiency in resource utilization as most of the resources released were expended on the planned activities.

Table 13.1: Science, Technology and Innovation Sector Performance by 31st December 2018

Programme	Score (%)
Science, Technology, and Innovation (ST&I) Regulation	74.51
Science, Research and Development	35.28
Techno-prenuership	78.12
Finance, Administration and support services	86.23
Industrial research	53.70
Average Performance	**65.60**

Source: Author's Compilation

Financial performance

The STI sector budget for FY2018/19 is Ug shs 189.6 billion, of which Ug shs 35.22 billion (19%) was released and Ug shs 29.94 billion (85%) spent by 31st December 2018. Overall sector release was poor, while expenditure was good. The MoSTI, KMC, and UIRI had good release performance whereas UNCST release performed poorly at 2.8%.

Table 13.2: Overall Financial Performance of the STI Sector by 31st December, 2018

Institution	Budget	Release	Expenditure	% Release	% Spent
MoSTI	23,758,855,000	10,715,761,477	6,637,450,883	45.1	61.9
KMC	24,000,000,000	13,150,711,298	12,152,000,000	54.8	92.4
PIBID	1,196,003,000	1,196,003,000	1,196,003,000	100.0	100.0
UNCST	126,613,775,000	3,495,773,092	3,495,773,092	2.8	100.0
UIRI	14,015,593,000	6,660,000,000	6,460,000,000	47.5	97.0
TOTAL	**189,584,226,000**	**35,218,248,867**	**29,941,226,975**	**18.6**	**85.0**

Source: IFMS, MDAs

Vote performance

13.2 The Ministry of Science, Technology and Innovation (MoSTI)

In recognition of the need by Government to explicitly prioritize issues relating to the Science, Technology and Innovations (STI) as a key driver for economic development, The Ministry of Science, Technology and Innovation (MoSTI) was created in June 2016.The MoSTI's mandate is to: Provide policy guidance and coordination on matters of Scientific Research, Development and the entire National Innovation System in the country.

The Ministry executes its mandate through the programs of; i) Science, Technology and Innovation (STI) Regulation, ii) Science, Research and Development, iii) Techno-preneurship, and iv) Finance, Administration, Planning and other support services. The following subventions are also under the ministry; The Presidential Initiative on Banana Industrial

Development (PIBID), Uganda National Council for Science and Technology (UNCST), and Kiira Motors Corporation (KMC).

The approved budget FY 2018/19, for the MoSTI is Ug shs 23.7 billion of which Ug shs 10.7 billion (45%) was released, and Ug shs 6.6billion (62%) spent by 31st December 2018. Release performance was poor while expenditure was fair.

13.2.1 Science, Technology, and Innovation (STI) Regulation Programme

The programme is responsible for: Coordination of matters pertaining to STI standards, Development of policies, plans, programs and regulations on physical, chemical and social sciences; Bio-sciences and Bio-economy. It is also responsible for strengthening collaboration and cooperation on matters of bio-economy and bio-security/safety, and Coordinate implementation of policies, plans and programs pertaining regulations in STI.

Programme planned outputs FY2018/19 are: policies and regulations for physical, chemical, Social sciences, bio sciences, and bio economy developed and monitored; Departmental plans and budgets coordinated; Collaboration and cooperation strengthened for STI standards and regulations; and Safety regulations in STI research developed and procedures revised.

Performance of the STI Regulation Programme

The programme budget for FY 2018/19 is Ug shs 4.01 billion, of which Ug shs 1.0 billion (24.9%) was released and Ug shs 0.81billion (81%) spent by 31st December 2018. Release performance was poor, while expenditure was good. Table 13.3 shows the STI Regulation Programme performance.

Table 13.3: Performance of the Science, Technology, and Innovation Regulation Programme by 31st December 2018

Sub-program/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Physical, chemical and social sciences	Policies, plans, programs and regulations in research development and innovations developed;	1,105,500,000	291,800,000	13	5	29.83	Sensitization, stakeholder engagement, and awareness campaigns on STI regulation in the sub-regions of Rwenzori, Acholi, Bunyoro, and West Nile were conducted.

Sub-program/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Safety regulations in physical, Chemical and social sciences research developed and innovations revised;						Engagements with National Agricultural Research Organization institutes in Namulonge and ZARDIS in the North and Bunyoro were undertaken.
	Implementation of policies and regulations for physical, chemical and Social sciences developments and innovations monitored.						A fact finding mission to PIBID in Bushenyi District with the Parliamentary Commission on STI was conducted.
Biosciences & Bio economy	Policies, plans, programs and regulations in Bio Sciences and Bio economy developed.	1,116,500,000	290,373,336	5	1.1	26.50	The MoSTI initiated collaboration with Bio-scientists and Bio-innovators in Iran.
	Safety regulations in physical, Chemical and social sciences research developed and innovations revised;						Not done due to inadequate release.
	Implementation of policies and regulations on bio-sciences and bio-economy						Not done.
Bio safety & Bio security	Policies, plans, programs and regulations in Bio Biosafety & Bio Security developed;	1,018,500,000	293,320,490	3	0.5	18.19	Departmental plan and budget for FY 2019/20 were prepared.

Sub-program/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Safety regulations in physical, chemical and social sciences research developed and innovations revised;						Activity carried forward to subsequent quarters.
	Collaboration and cooperation strengthened for STI standards, regulations						Not done.
STI standards & regulations	Collaboration and cooperation strengthened for STI standards, regulations						Output not undertaken due to limited funding.
	Programme Performance (Outputs)					**74.51**	**Good performance**

Source: IFMS, Progress reports, and field findings

The programme registered good performance (74.51%) against received funds, however, most of the activities were not implemented due to inadequate funding and poor release (24.9%).

Under the programme, the MoSTI conducted sensitization and awareness campaigns on STI regulation in the sub-regions of Rwenzori, Acholi, Bunyoro, and West Nile. It undertook engagements with National Agricultural Research Organization (NARO) institutes in Namulonge and Zonal Agricultural Research Institutes (ZARDIs) in the North and Bunyoro. Collaboration with Bio-scientists and Bio-innovators in Iran were also initiated. The MoSTI also supported the development of the Sector Development Plan (SDP), budget estimates and departmental work plans.

13.2.2 Science, Research and Development Programme

The programme is responsible for: Coordination of multi-sectoral research and innovation activities, overseeing the development and implementation of research and innovation technology clusters, platforms, and programs. It also facilitates technology generation, assessment, transfer and adaptation, intellectual property acquisition and management and demonstration and piloting of new innovations and emerging technologies.

The programme planned outputs for FY2018/19 are: Research and development supported and jointly undertaken; Indigenous Innovations and technologies documented and promoted; Emerging technologies rationalized; Partnerships among artisans and other scientific knowledge interlocutors; Knowledge generators (researchers), knowledge transformers (industrialists and entrepreneurs) and end users (consumers) developed; Methodologies for exploitation of IPRs developed; STI Regional Centres of Excellence established: and Infrastructure development projects undertaken and coordinated.

Performance of the Science, Research and Development Programme

The programme budget for FY2018/19 is Ug shs 143.85billion, of which Ug shs 6.09 billion (4.2%) was released and Ug shs 5.74 billion (94.3%) spent by 31st December 2018. Release was poor and expenditure was very good. Overall programme performance was 35%. Table 13.4 shows the performance of the program outputs.

Table 13.4: Performance of the Science, Research and Development Programme by 31st December 2018

Program/ Project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Research Promotion and Development	Research and development policies, plans, programs, standards and guidelines developed, reviewed and implemented;	1,195,000,000	373,809,596	8	5.6	0.77	Undertook SDP consultative meetings and policy review.
	Research and Development supported						Activity not done due to inadequate funds.
	Indigenous Innovations and technologies documented and promoted						Local innovations and technologies profiled during the Parliamentary Week (13th-19th January 2019).
	Research and practices regulated						Nine (9) research concepts were registered and approved.
	Prioritization and registration of research and development, progress and trends coordinated and monitored						Nine research concepts were registered and approved.

Program/ Project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Partnerships in knowledge generators (researchers), knowledge transformers (industrialists and entrepreneurs) and end users (consumers) coordinated						The MoSTI finalized partnerships with EU for funding of researchers under LEAP-AGRI. Meetings with the UK Chief Advisor on science and technology and other UK universities for possible collaborations were carried out.
	Departmental plans and budgets coordinated						Departmental plan and budget for financial year 2019/20 were finalsied.
Technology Development	Policies, plans and guidelines on technology development and acquisition developed	1,112,500,000	302,039,616	9	4	0.71	Technical support was provided in the development of the STI Sector Development Plan.
	Emerging technologies rationalized						Not done due to insufficient funds.
	Technological community outreach undertaken						The MoSTI participated in 2 outreach activities covering Eastern Uganda and the Rwenzori sub-region.
	Partnerships among artisans and other scientific knowledge interlocutors; knowledge generators (researchers) knowledge transformers (industrialists and entrepreneurs) and end users (consumers) developed						Two (2) stakeholder conferences for connecting STI knowledge generators, interlocutors and users were conducted.

Program/ Project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Transfer, negotiation & adaptation of appropriate technologies coordinated						Activity for Q3.
	Departmental plans and budgets coordinated						Two (2) departmental work plans and 2 departmental budgets were submitted to the Department of Policy & Planning.
Innovations and Intellectual Property Management	Departmental plans and Budgets coordinated	1,107,000,000	295,250,000	35.00	11.60	0.71	Departmental preliminary budget estimate and draft work plan for FY2019/20 were developed.
	Methodologies for exploitation of IPRs developed						Awareness materials for patents, trademarks, industrial designs, utility models, trade secrets, technovations and traditional knowledge were developed. Two (2) outreach workshops were conducted in (Kyenjojo, Kyegegwa, Kamwengye districts), (Kabarole, Kasese, Ntoroko, Bundibugyo and Bunyangabo districts).
	Research and development projects jointly undertaken						Stakeholder engagements were undertaken on conducting joint R&D projects.
	Acquisition and registration of IPRs supported						Innovators and Scientists at the STI exhibition in Parliament were trained on intellectual property rights and

Program/ Project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							management. A total of 80 innovators were profiled for future support.
STI Infrastructure Development	Frameworks and standards for science, technology and Innovation infrastructure developed.	1,085,350,000	290,065,000	15	6	0.7	No activity done.
	STI Regional Centers of Excellence established						Project proposal were developed.
	Departmental plans and Budgets coordinated						Departmental plan and budget for FY 2019/20 were prepared.
	Infrastructure development projects undertaken						Five (5) infrastructure project proposals were developed.
	Programs and projects for science, technology and innovation infrastructure coordinated						Consultative meetings were conducted in three Universities (Lira, Gulu and Muni), and Local Governments in Rwenzori, Lango, Bunyoro, Acholi and West Nile sub-regions.
	Science technology and innovation infrastructure developed and maintained						Five project proposals for infrastructure were developed. Other activities not done due to inadequate funding.

Program/ Project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Kiira Motors Corporation	Vehicle Assembly Shop Superstructure (Slab, Support Columns and Roof Covering 6,200 SQM) and Kiira Vehicle Plant Offices (1,000 SQM) at the Jinja Industrial and Business Park Constructed	14,740,000,000	10,000,000,000	2	0	0	Kiira Vehicle Plant Start-Up Facilities Architectural, Structural, Engineering Drawings, Servicing Plan and Bill of Quantities (BoQs) were completed and approved by Jinja District.
	Electric Buses and Charging Stations Assembled and Deployed	4,540,000,000	781,739,373	1	0	0	Procurement process for the Electric Bus Kits and Charging Stations was ongoing.
	Automotive Local Content Participation Strategy Developed	40,000,000		1	0	0	The Situation Analysis of Automotive Local Content Participation in Uganda was completed. Some companies such as Uganda Batteries were identified.
	Sign the Principal Vehicle Assembly and Technology Transfer Partnerships	267,480,640	136,650,444	1	0.8	0.17	The Feasibility Study for Vehicle Assembly and Technology Transfer Partnership for the Kiira Vehicle Plant in Uganda were completed. A Non-Disclosure Agreement to explore a Contact Assembly partnership was signed.
	Undertake Staff Training	393,216,862	211,750,310	18	9	0.23	Eight (8) staff completed the Uganda Vocational Qualification Framework (UVQF) Competency Based Advanced Training Course in Welding and

Program/ Project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							Metal Fabrication. Training Fees for CMMP, ACCA, Self-Driving Car Nano Degree, Car Design Course, Six Sigma Black Belt, and Bus KD Assembly (Bus Chassis, Web Frame, Body Construction) were paid to the training institutions.
	Local Content Strategy Dissemination Seminar, Key Stakeholders Tour of Site Development Projects, e-Bus Launch Event & Media Publications	228,822,250	128,822,250	3	2	0.15	Procurement process for media and publicity services was ongoing.
	General Office Administration	3,611,944,248	1,879,134,920	100	52	2.31	Renewal of Rental/Tenancy Agreement was delayed by the demise of the landlord.
	Concept Vehicle Development	30,000,000	12,614,000	100	50	0.02	ICE power train, exterior and interior trim integration were completed. The Kiira EV was serviced.
Uganda National Council for Science and Technology (UNCST)	Research Supervision & Monitoring undertaken, Annual National Research Ethics Conference Held Intellectual Property (IP clinics) conducted. 4 vehicles procured Furniture, equipment and ICT Equipment	126,613,775,000	3,495,773,000	100	1	29.37	Four vehicles, furniture, and ICT equipment were procured. Salaries and wages were paid. The development budget was not realized. This affected the beneficiaries of the Innovation Fund.
Presidential Initiative on Banana	Payment of salaries.	1,196,003,000	1,196,003,00	100	20	0.15	The PIBID expenditures were on salaries and wages as

Program/ Project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Industrial Development (PIBID)			0				the development budget was not realized.
	Programme Performance (Outputs)					**35.28**	**Poor performance**

Source: MoSTI, PIBID, KMC

A total of nine (9) research concepts were registered and approved. Under the Innovations and Intellectual Property Management, awareness materials for patents, trademarks, industrial designs, utility models, trade secrets, *techno-vations* and traditional knowledge were developed.

13.2.3 Uganda National Council for Science and Technology

The FY 2018/19 budget for Uganda National Council for Science and Technology (UNCST) is Ug shs 126.61 billion, of which Ug shs 3.49 billion was released and all spent by 31st December 2018. Appropriation of the development budget for UNCST for FY 2018/19 was differed.

Performance of UNCST

A total of 17 scientists who benefited from the Innovations Fund during FY 2017/18 had started execution of the projects and were at varying levels of implementation. The FY2018/19 half year monitoring sampled six beneficiaries and findings are presented hereafter.

A) Forest Fruit Foods in Bushenyi District was supported to commercialize local banana juice (*eshandy*). The allocated budget to this enterprise was Ug shs 339 million, of which 338.77 million was disbursed by January 2019. The funds were meant to facilitate acquisition of product certification (Quality mark) from the Uganda National Bureau of Standards (UNBS), develop a water source, equip the pilot plant with; haulage truck with 3,000litre stainless steel tank, water purification unit, and banana juice work stations. The fund was also to help the project acquire a 25KVA 3 phase generator, commercial gas sterilizer unit, and safety production wear.

By January 2019, a water source had been drilled and juice extraction equipment delivered. The procurement and delivery of 40 juice extraction troughs, installation of water filtration and purification system and obtaining of a UNBS Q mark were ongoing.

The procurement of the haulage truck delayed because suppliers did not have the trucks that meet the specifications of the project.

Incomplete works on water abstraction well and factory premises for Forest Fruit foods in Bushenyi District

B) Bugarama Super Wine in Sheema District received support for scaling up production and distribution of wine. The project was allocated Ug shs 68 million, of which Ug shs 64.77 million was disbursed and all spent by January 2019. The project acquired wine production equipment including a bottle filler, sterilizer, bottle washer, hot air gun, fermentation tanks, super jet machine, filtering pads and assorted lab equipment. It also procured packaging materials (bottles, boxes,product labels, stoppers, seals, normal sugar and other ingredients). Obtaining of a UNBS Quality Mark and Intellectual Property (IP) were pending. The project reported increase in wine production from 20,000 litres to 40,000 litres per month, reduced filtering time from 30-40 minutes to 5 minutes per 20 litres,and increased market for the wine.

C) Production of Tropical fruits wines for improved rural household incomes and reduced post-harvest losses under **M/s Maritus Wine** in Bweyogerere-Wakiso had an allocation of Ug shs 170 million, which was all disbursed and expended by end of January 2019.

Some of the bottled wines, and factory constructed with the Innovation funds at Bweyogerere

Funds were used to refurbish the production facility, purchase packaging materials, acquire processing equipment; storage tanks, filtration machine, wine testing equipment and juice making equipment.

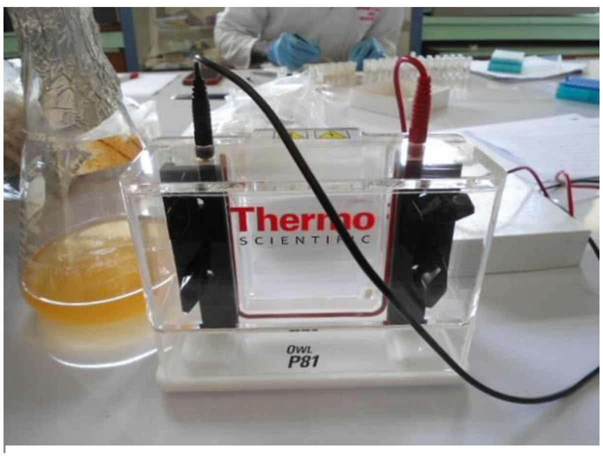
The company registered with the Uganda Registration Services Bureau (URSB) for Intellectual Property (IP). Acquisition of a UNBS Quality mark was ongoing. After the intervention, production more than doubled from 500 liters per month to 1,200 liters.

D)The Sericulture Project in Sheema District aims at increasing the production of silk in Uganda. The grantee was allocated a budget of Ug shs 1.526 billion, of which Ug shs 1.495 billion was disbursed by January 2019. The project supported two outgrowers to refurbish rearing houses, procured 2,000 cocoon beds, 50 rearing beds with 150 shelves, procured a double cabin pickup, constructed a 100,000 cubic metre dam, and trained 400 farmers. The project set up a furrow irrigation system, procured a project vehicle, water pump, and established a 30 acres plantation of mulberry for feeding the silk larvae however, the plantation was not well maintained as zero resources were released during the period under review (FY 2018/19).

Project vehicle, dam for irrigation, and part of the mother garden for mulberry in Sheema Sericulture Project

The pending activities included completion of the construction of; silkworm rearing houses, incubation house with an office, and rehabilitation of office space and equipment.

Silk worms feeding on mulberry, silk cocoons and ongoing construction of the rearing houses in Sheema District



Laboratory equipment and reagents procured for the study, and pinned mosquito samples at UVRI-Entebbe

E) The study on development of indigenous microbial mosquito larval pathogens for malaria vector control housed at Uganda Virus Research Institute was allocated a budget of Ug shs 113 million, of which Ug shs 94.24 million was disbursed. By January 2019, project implementation was ongoing at a rather low pace. The study had achieved isolation of entomopathogenic bacteria to purification of the larvicidal toxin produced by the bacteria. Three isolates; Bacillus cereus, Bacillus anthracis and Bacillus thuringiensis) were selected basing on their high larvicidal activity out of the total twenty-one isolates. However, the lack of additional resources in FY 2018/19 affected the cloning and identification of toxins that kill the mosquito larvae, and the study of efficacy, safety and selectivity between target and non-target organisms of the purified toxins. This was making the initial investment wasteful.

F) **Improving livelihoods of rural communities through cassava processing and value addition project** in Lira and Kole districts received a budget allocation of Ug shs 85 million, which was all disbursed and expended by January 2019. The outputs implemented included leasing of 100 acres of land for cassava seed multiplication and production gardens, procurement of packaging materials, purchase of weeding machine, and advertising in print and electronic media.

The demonstration and seed multiplication gardens (40 acres and 30 acres) were established in Kole district. The enterprise was manufacturing High Quality Cassava Flour (HQCF) and marketing it in the region. The pending activities by January 2019 included: delivery of a hydraulic press and product certification.

Part of the NAROCAS 19 cassava seed multiplication garden and packaged HQCF in Kole and Lira respectively supported by the Innovations Fund

Overall performance of the development budget for the UNCST was poor, with the National Science, Technology Engineering and Innovation Skills Enhancement Project (NTEISP) which constituted 66% of the overall approved estimates to Vote 023 at zero (0%) release.

13.2.4 Kiira Motors Corporation (KMC)

Established in 2014, Kiira Motors Corporation (KMC) intends to set up the first automotive manufacturing plant in Uganda. The KMC investment is thus poised to catalyze innovations and industrialization leading to savings in foreign exchange; economic diversification; attraction of foreign direct investment and development of skills relevant for developing a sustainable automotive value chain in Uganda. Cabinet approved a disbursement plan for the commercialization of the Kiira Electric Vehicle project over a period of four years as follows: Ug shs 24 billion for FY 2018/19, Ug shs 44 billion for FY2019/20; Ug shs 43 billion for FY2020/21, and Ug shs 32.7 billion for FY 2021/22.

During FY2018/19, the approved budget for Kiira Motor’s Corporation is Ug shs 24 billion, of which Ug shs 13 billion (54.8%) was released and Ug shs 12 billion (92.4%) expended by 31st December 2018. Both release and expenditure performances were very good.

During FY2017/18, water and electricity were extended to the proposed site for construction of the automotive assembly plant at the Jinja Industrial Park.

Physical Performance

In September 2018, the Memorandum of Understanding between KMC and the National Enterprise Corporation (NEC) for the constriction of the Kiira Vehicle Plant start-up facilities at the Jinja Industrial and Business Park was cleared and signed by the Office of the Solicitor General.


Kiira EVS vehicle at Shell Ambercourt Jinja, and a power transmission line at the project site


Mounted transformer and ongoing site opening at KMC-Jinja

This paved way for construction of the initial Kiira Vehicle Plant start-up facilities. By January 2019, the Uganda People's Defence Forces (UPDF) Engineering Brigade was finalizing mobilization and deployment of equipment as well as undertaking initial site opening works.

The procurement process for the electric bus kits and charging stations was ongoing and the contract was forwarded to the supplier for signing. The Public Procurement and Disposal of Public Assets Authority (PPDA) approved the accreditation of an Alternative Procurement System for Suppliers of Automotive Parts for the Kiira Vehicle Plant and a situation analysis of Automotive Local Content Participation in Uganda was completed.

The feasibility study for Vehicle Assembly and Technology Transfer Partnership for the Kiira Vehicle Plant in Uganda was completed and a Non-Disclosure Agreement to explore a Contact Assembly partnership was signed.

In terms of capacity building, eight (8) staff completed the Uganda Vocational Qualification Framework (UVQF) Competency Based Advanced Training Course in Welding and Metal Fabrication, while training fees for Bus Knock Down (KD) Assembly (Bus Chassis, Web Frame, Body Construction), CMMP, ACCA, Self-Driving Car Nano Degree, Car Design Course, and Six Sigma Black Belt were paid. Overall project performance was fair. The project was behind schedule.

Challenges

- The prolonged response time by key actors in the stakeholder community led to late start of the project and implementation of key activities.
- The delayed transfer of KMC stock from the UDC to the Ministry of Science Technology and Innovation affected the full constitution of the KMC Board of Directors.

Recommendations

- The KMC and MoSTI should enhance stakeholder engagement to appreciate the roadmap and the associated timelines for the commercialization of the Kiira Electric Vehicle project and vehicle assembling plans.
- The UDC and MoSTI should fast-track the transfer of KMCs stock to MoSTI to ensure timely implementation of planned activities.

13.2.5 Presidential Initiative on Banana Industrial Development

The Presidential Initiative on Banana Industrial Development (PIBID) started in 2005 as a pilot project of the Government of Uganda whose underlying theory is that rural farmers with access to science led processing and value addition enterprises will be able to rapidly access profitable market chains, that supply local, regional and international markets; resulting into increased household incomes. It was anticipated that the project would be a catalyst for socio-economic transformation through research based crop value addition. Over Ugshs 140 billion has so far been injected in the project since inception.

The project is in tandem with the Governments' priority economic strategies in the second National Development Plan (NDP II), which among others include; value addition to agricultural products and agro-processing through Research and Development (R&D).

By the end of the FY 2017/18, the pilot plant was 100% complete and processing of *Tooke* flour and other products were ongoing whilst on low scale. The four demonstration sites (community processing units) for Tooke production were established. Civil works for external works, hostels and laboratory block were at 85% physical progressing while installation of key equipment was at 80%.

Performance of the PIBID

During FY 2018/19, the project was expected to transition into a Banana Industrial Research and Development Centre (BIRDC), acquire the International Standards Organisation (ISO) certification, install additional equipment, undertake test runs, and commercialize *Tooke* products among others.

The budget for the PIBID for FY2018/19 was not appropriated by Parliament. However a re-allocation of Ug shs 1.109 billion was made to maintain basic operations of the agency.

L-R: Installed weighing bridge, furnished laboratories and bakery items presented for sensory tasting at PIBID

In spite of running a zero development budget for the FY 2018/19, PIBID progressed with most of the civil works, installation of a weighing bridge, furnishing of the laboratory and administration blocks, completion of external works and installation of equipment owing to retained funds brought forward from the previous financial year. There was no progress on the process of transitioning from a project to a Banana Industrial Research and Development Centre pending issuance of a Certificate of Financial Implication (CFI). Under the re-current component, research and development activities were ongoing including improvement of the sensory taste of the bakery and confectionaries products.

It was observed that the agency was accumulating domestic arrears on civil works certificates, wages, NSSF and gratuity. The activities related to product certification and compliance to the environmental impact assessment requirements were halted due to lack of funds.

13.2.6 Science Techno-prenuership Programme

The programme facilitates Science, Technology and Innovation skills development for artisans, innovators and researchers. It is responsible for creating a critical mass of highly trained and skilled science, technology and engineering (STE) professionals to drive industrialization and economic growth. It facilitates establishment of product development facilities and innovation hubs, liaison with financial intermediaries for technology acquisition and access to credit for STI based SMEs, and fostering linkages and partnerships between STI institutions (universities, technical and vocational) and industrialists as well as public Ministries, Departments and Agencies (MDAs).

The planned outputs for FY2018/19 include: Guidelines for Technology Enterprise Developed; Spinoffs and start-up technology enterprise supported; STI business mentorship undertaken; STI skilling and incubation centers established; Operationalization of Innovation and Technology Transfer Centers initiated; Plans for establishment of National STEYI and National STI Institutes developed; Products of research and development of small and medium enterprises supported; and Skilling in STI initiated and promoted.

Performance of the Science Techno-prenuership Programme

The programme approved budget for FY 2018/19 is Ug shs 4.56 billion, of which Ug shs 0.93 (20.4%) billion was released and Ug shs 0.75 (80.4%) billion spent by 31st December 2018. Release was poor, while expenditure was good. Table 13.5 shows the programme performance.

Table 13.5: Performance of the Techno-prenuership Programme by 31st December 2018

	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Technology Uptake Commercialization and Enterprise Development	Spinoffs and start up technology enterprise supported	1,344,000,000	290,499,908	10	4	34.72	Spinoff and start up technology enterprises Identified, profiled and still ongoing.
	Comparative analysis and adoption of appropriate models of Enterprise Development undertaken						Consultation program with LGs in Eastern region (Katakwi, Kaberamaido, Soroti and Amuria districts) to identify models of enterprises conducted.
	Guidelines for Technology Enterprise Developed						Consultation program with LGs in Eastern region (Katakwi, Kaberamaido, Soroti and Amuria districts) to identify models of enterprises conducted.
	Mass sensitization undertaken with Local Governments on Technology Enterprise						Sensitizations conducted in Kyenjojo, Kyegegwa, Kamwenge, Kabarole, Kasese, Ntoroko, Bundibugyo and Bunyangabo districts)

	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Development						
STI skills development	Skilling in STI initiated and promoted	1,268,000,000	297,000,000	9	0.7	10.88	STI skills needs assessment was conducted in Eastern Uganda (Soroti, Amuria, Kaberamaido and Katakwi districts.
	STI skilling and incubation Centers established						Proposal on the establishment of incubation centers was developed.
	STI skilling Partnerships with training institutions established and supported						STI partnership with Massachusetts Institute of Technology (MIT) established. Engagement with Academia undertaken in Entebbe.
	Operationalization of Innovation & Technology Transfer centers initiated						Insufficient funds.
	Plans for establishment of National STEYI and National STI Institutes developed						Insufficient funds.
STI Advancement & Outreach	Policies for promotion of Research and Development for Community Outreach &	1,258,500,000	290,560,000	3	1.5	32.52	Draft guidelines formulated and ready for submission to top Management.

	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Industrialization						
	STI Community outreaches undertaken in selected locations across the Country						STI community outreaches undertaken in 8 districts (Kyenjojo, Kamwenge, Kabarole, Bundibugyo,Bunyangabo, Kasese and Kyegegwa.
	Products of Research and Development of small and medium enterprises supported						Profiled innovations during Parliamentary STI Exhibition Week
	Programme Performance (Outputs)					**78.12**	**Good performance**

Source: IFMS, progress report and field findings

The programme performance was good, rated at 78.12%. Several trainings, outreaches and consultations were undertaken in different parts of the country.

13.2.7 Finance, Administration and Support Services Programme

The programme oversees operations of the Ministry activities including coordination, recruitment, management, and accountability. It is also responsible for the subventions of UNCST, KMC, and PIBID.

The planned outputs for FY2018/19 are: Administrative and other auxiliary services coordinated; Policy guidance provided; Comparative analysis of Scientific Research and technologies undertaken; Staff Payroll managed; Records Management services provided; STI Programs disseminated; Procurement and disposal Plans Prepared and Executed; Vehicles and other transport equipment procured; Assorted Furniture and equipment procured; Assorted ICT equipment and software procured: Basic and applied scientific research supported; and Sector Planning and Budgeting obligations executed.

Performance of the Finance, Administration and Support Services Programme

The programme budget for FY 2018/19 is Ug shs 17.88 billion. Owing to a supplementary budget in Q2, the release was Ug shs 26.89 billion and Ug shs 17.82billion was expended by 31st December 2019. Release and expenditure were good.

During FY 2017/18, the MoSTI initiated the recruitment of key staff starting with administrative staff. By 31st December 2018, 42 technical staff and 64 common cadres were recruited and deployed to the respective departments. The drafting of the sector development plan was ongoing.

Two vehicles, assorted furniture, assorted ICT equipment and software were procured and supplied to the Ministry under the retooling project of Institutional Support to MoSTI. Table 13.6 shows the programme performance.

Table 13.6: Performance of the Finance, Administration and Support Services Programme by 31st December 2018

Program/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Finance & Administration	Ministry Support Services (Finance and Administration) coordinated	7,162,375,000	3,935,487,602	100	50	83.65	Administrative and other auxiliary services were coordinated. 24 hour security services for office premises were provided and the rental obligations for office premises were met.
	Ministerial and Top Management Services						Six (6) Top management meetings were undertaken
	Human Resource Management						Recruitment process was fast tracked, Staff payroll was managed, IPPS was installed and maintained Human Resource

Program/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							Plans were developed and implemented. Training, induction and orientation of new staff was undertaken on crosscutting issues and performance management. Ministry capacity building activities were also coordinated.
	Records Management						Records management services were provided and safe custody of documents ensured.
	Information Management Services						STI awareness for appreciation was undertaken.
	Procurement and Disposal Services						Procurement and disposal plans were developed and executed.
	Accounts Services						Statutory and periodic reports prepared and the IFMS maintained.
Internal Audit	Statutory and periodic Internal Audit Reports	178,650,000	36,550,000	100 0	0.1 0	0.01 0	Statutory and periodic Internal Audit Reports prepared and

Program/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Prepared and submitted to management						submitted to management.
	Monitoring and Evaluation audit reports prepared						M&E reports prepared.
Project 1459 Institutional Support to MoSTI	Vehicles and other transport equipment procured	450,055,100	304,363,536	100	30	2.56	2 vehicles and other transport equipment were procured.
	Assorted Furniture and equipment procured and supplied to the Ministry						Assorted furniture and equipment was procured and supplied to the Ministry.
	Assorted ICT equipment and software procured and supplied to the Ministry						Assorted ICT equipment and software were procured and supplied to the Ministry.
	Programme Performance (Outputs)					**86.23**	**Good performance**

Source: IFMS, progress report and field findings

The overall programme performance was good (86.23%). The recurrent and development components were all good and most of the planned activities were executed.

Challenges

- Inadequate development budget where only Ug shs 0.45 billion was released against the required Ug shs 6.2 billion.

- Lack of counterpart funding to operationalize the NTEISP-Project.

Recommendations

- The MFPED and Parliament should allocate and appropriate funds respectively for development activities for the NTEISP under UNCST, UIRI and MoSTI to facilitate counterpart funding for research collaboration and infrastructure.

13.3 Uganda Industrial Research Institute (UIRI)

Background

The Uganda Industrial Research Institute (UIRI) is the lead agency for the promotion of Industrialization in Uganda. The institute is an agency under the Science, Technology and Innovations Sector. UIRI traces its roots to the East African Federation of the 1970s, as a precursor of the then East African Research Organization (EARSO) which was headquartered in Nairobi and served as a regional Research and Development (R&D) institution for Kenya, Tanzania and Uganda. Upon the collapse of the East African Federation, the EARSO was disbanded in 1997, and later transformed into the Kenya Industrial Research and Development Institute. The establishment of UIRI was at the behest of GoU negotiations with the Chinese Government which offered a grant to build and equip the institute.

Objectives

UIRI's primary objectives are:

- To carry out applied research for the development of products and provide platform for innovations, application of science and technology.
- To develop and acquire appropriate technologies in order to create strong, effective and competitive private sector.
- To promote value addition activities so as to transform local raw materials into competitive marketable products.
- To bridge the gap between academia, government and the private sector and to enhance commercialization of R&D.

The approved budget for UIRI, FY 2018/19 is Ug shs14.01billion, of which Ug shs 6.6 (48.5%) billion was released and Ug shs 6.4 (96.9%) billion spent by 31st December 2018. Both release and expenditure performance were very good.

Planned outputs for FY 2018/19

The planned deliverables for UIRI during FY2018/19 include: Recruitment of new staff, commercialize essential oils, establish model value addition centres, renovate the peanut centre, undertake skills development of industrialist, design hardware and analyse prototypes, purchase office equipment and specialized machinery, produce and market Newcastle vaccines, support incubation activities at headquarters and satellite facilities, and construction and equipping of the Machining and Skilling Centre (MMSC) in Namanve.

13.3.1 Industrial Research Programme

The construction of the **Machining and Skilling Centre (MMSC) at the Kampala Industrial and Business Park - Namanve** with a US$30 million grant from the People's Republic of China was at 60% physical progress. The hostels, training rooms, Computer Aided Design, Computer Numerical Control (CNC) machining workshops and administrative blocks were substantially complete awaiting final finishes. The centre is expected to be completed and handed over in December 2019. It is expected to provide practical training to a total of 200 students (technicians) in standard machining, robotics, and programmable logic control among others. It was observed that no counterpart funding was allocated to this project as per the MoU and this was likely to affect the recruitment and training of staff/instructors, and equipping of the centre before it is handed over to UIRI.

Potato, mushrooms and bamboo processing in Kabale District: The potato processing plant in Kabale District initiated the certification of three potato products namely salted, chilly and vinegar flavored crisps under the *Emondi* brand. The agency was expecting to get the quality mark from UNBS by end of the third quarter.

The component on skilling SMEs in potato value addition to produce crisps using appropriate technologies in Kabale, Kisoro and Rubanda districts, supported by the Food and Agricultural Organisation (FAO) was concluded in October 2018. A total of 20 farmers selected to undertake cottage production and starter kits that include packaging bags, manual slicers, and appropriate stoves were identified.

Mushroom processing and training: Farmers were skilled in mushroom drying, post-harvest handling, processing technology, food safety, product quality and given starter kits.

The research on **bamboo processing** (toothpick making) was ongoing in Kabale District. The incubatee was trained in selection of appropriate raw materials, production, hygiene, market trials and basic machinery operations. The incubatee had identified an outlet in Kampala for marketing and sales of toothpicks. The key constraint to bamboo processing is the lack of raw materials and working capital from the incubatee to transit from prototyping to commercial production.

Rukarara United Youth Project (RUYP) is located in Kanyantorogo sub-country, Kanungu District near the border with Democratic Republic of Congo. It is involved in extraction of crude oil from palm fruits for production of vegetable oil, soap, shoe polish and other bi-products. The group procured and planted 15 acres of palm trees of which 7 acres are currently producing fruits. Between 2016-2018, UIRI supported the project with construction and equipping of a processing plant. Civil works were completed in July 2018 and a snag list generated. By January 2019, the snags identified had not been corrected including floor cracks, doors that do not properly open, among others. It was observed that the plantations of the members were inadequate for consistent supply of raw materials and the group was experiencing cash flow challenges to commercialize the seemingly viable enterprise.

Headquarters: A number of facilities were undergoing renovation; doses of Newcastle vaccines were produced and marketed across the country. Overall performance was rated as fair (53.7%). Table 13.7 shows the programme performance.

Table 13.7: Performance of the Industrial Research Programme by 31st December, 2018

Subprogram/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
Head-quarters	Administration and Support Services	5,730,000,000	2,930,000,000	6	2.2	29.97	UIRI recruited 10 new employees, paid all insurance dues for UIRI assets, equipment, vehicles and ICT equipment, and paid staff salaries and general operations.
Support to Uganda Industrial Research Institute (UIRI)	Research and Development	3,480,000,000	1,930,000,000	2,013	130	2.96	UIRI analyzed 120 laboratory samples for chemical composition & certificates issued. BRENTEC/Vaccination Production Unit produced 3,000,000 doses of Newcastle vaccine with total sales of 2,116,000 doses.
	Industrial and technological Incubation	750,000,000	380,000,000	37	22	5.47	Semi commercial essential oil pilot plotswere established with emphasis on *Rose geranium* and *lemon balm*, and also produced book covers from wastepaper.
	Model Value Addition Centre established	310,000,000	130,000,000	13	4.5	1.87	100% completion of the ATCG offices at formerly occupied UNBS premises at UIRI campus. purchased materials to complete Epoxy floor finish for the palm oil facility in Kanungu, and 60% completion and doors at the silk processing line facility in Sheema District were installed.
	Facility repair and maintenance	400,000,000	70,000,000	26	7	2.92	Renovation of peanut processing facility in Lira District was at 95%. UIRI also undertook renovation and refurbishment of various facilities at the UIRI head

Subprogram/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
							offices. The sausage filler, bowl cutter, small meat mincer, three cold rooms and other equipment were repaired.
	Industrial Skills Development and Capacity Building	180,000,000	80,000,000	1,610	512	0.94	The UIRI trained 111 people (15 in cosmetics production and 96 in soap, detergents, & toiletries production) majorly from central and western regions. Trained Rugiga Youth Development Initiative in value addition to fruits to make products like juice, jam, wine and electric dried fruits. UIRI also trained several groups and universities in mechanical and electrical engineering and maintenance, carpentry, tailoring, embroidery, fruit juice making, and probiotic yoghurt among others.
	Technology, Innovation, Transfer and Development	510,000,000	230,000,000	8	2	2.06	UIRI started clinical and medical equipment assessment in 3 regions of Uganda with meetings and conferences. Hardware design and analysis, simulation and prototyping were ongoing.
	Popularization of research and technologies	150,000,000	60,000,000	9	3	0.91	17 guided tours aimed at exposure to entrepreneurship opportunities at UIRI in the areas of processes, innovations, and to boost practical skills learning in schools were conducted. A number of publications in the print and electronic media were produced.
	Government Buildings and Administrative Infrastructure	1,110,000,000	140,000,000	12	1	5.35	The ATCG offices formerly occupied by UNBS at UIRI campus were under defects liability period.

Subprogram/ project	Output	Annual Budget (Ug shs)	Cum. Receipt (Ug shs)	Annual Target	Cum. Achieved Quantity	Physical performance Score (%)	Remark
	Purchase of Office and ICT Equipment, including software	70,000,000	70,000,000	5	2.00	0.20	The ICT department activated Microsoft windows 10 and Microsoft office 2016 professional on 35 computers.
	Purchase of Specialized Machinery & Equipment	1,020,000,000	640,000,000	45	4.00	1.05	Procurement of reflow oven, the logic analyzer and digital ic tester were procured and delivered for the instrumentation division.
	Programme Performance (Outputs)					**53.70**	**Fair performance**

Source: IFMS, progress report and field findings

Top: Ongoing construction of the Machining Training Centre in Namanve. Below: Toothpicks making equipment in Kabale District, and Palm Oil Processing Facility in Kanungu District

Challenges

- Lack of counterpart funding for the construction of the Machining and Skilling Centre (MMSC) in Namanve.
- Intermittent and poor quality power supply in most of the offsite facilities.
- Seasonal and insufficient raw materials such as potato and bamboo respectively.
- Lack of professional extension services for some of the value chain enterprises.
- Lack of entrepreneurship skills: Most of entrepreneurs working with UIRI do not have the set of traits such as creativity, and resilience to soldier on in the face of hardships. There is a lot of dependence on public sector support which is not sustainable.
- The defects identified in Kanumgu palm oil project were not addressed.
- Low rates of graduation from incubation to commercialization.
- Expensive credit curtails commercialization of prototypes.

Recommendations

- The UIRI and the MFPED should prioritize and provide counterpart funding to cater for the training of instructors and equipping of the machining centre in Namanve.
- The UIRI should enforce the contract for construction of the palm oil processing plant and ensure that the defects identified are addressed by the contractor.
- The UIRI should engage the Kanungu DLG to promote the growing of palm trees to ensure sustainable supply of raw materials to the factory.
- The guidelines for incubation should be reviewed to clearly spell out the duration, extent of support from UIRI, and development of exit strategy.

13.4 Gender and Equity Compliance

Out of the 17 Innovation Fund beneficiaries at UNCST, only two (2) were female. Ten of the innovators were located in central region (Kampala, Wakiso and Mukono districts), and five (5) in the western region (Sheema, Mbarara and Bushenyi districts). The eastern region did not benefit from the fund. This creates a regional imbalance in beneficiary selection. Out of the 10 staff receuited at UIRI, 5 were male and another 5 were female. The various trainings conducted by UIRI for groups and tertiary institutions across the country were sensitive to gender.

Part 4: CONCLUSIONS

Chapter 14: CONCLUSIONS

Financial Performance

The release (60% of the approved budget) exhibited very good performance, while 50% of the sectors registered over 80% absorption. The timelines of release of funds improved in quarter two and deadline were met[47]. The approved budgets of 70% of the priority sectors were revised as at 31st December, 2018. Government released 67% of the development budget to the Local Governments. Supplementary budgets across 70% of the priority sectors pointed to poor planning and budgeting.

Physical Performance

Accountability

The semi-annual physical performance[48] of the accountability sector was good (77.6%). The overall sector release was 52% of the approved budget, and expenditure at 84% of the release. The physical performance was relatively matched with the financial performance

Overall, the automation of processes and installation of cargo scanners contributed to the achievement of targets at the Uganda Revenue Authority (URA), whose performance at 93% was very good. Internal processes and performance management are easily tracked on the Enterprise Resource Planning System (ERP), for example-appraisals between staff and supervisors, reconciliations of tax collections from the e-tax platform and the bank deposits reports. It was noted that the e-tax platform is unavailable in some instances due to frequent updates, which makes navigation difficult on restoration of the web portal.

The MicroFinance Support Centre (MSC) achieved 75% performance which was good; 20% of planned outputs were fully achieved, while 70% were partially achieved. The Project for Financial Inclusion in Rural Areas (PROFIRA) achieved 70% which was good. A total of 7,609 against a target of 7,500 community savings and credit groups (CSCGs) were mobilized and trained.

The Programme Budgeting System (PBS) improved budget planning, execution and monitoring. The PBS is an online system which enables instant submission of completed tasks. Changes made can be accessed instantly by all MDA&LGs on the system. Although outcome indicators were reviewed and involved participation of some sector staff, the sectors were finding it difficult to measure some outcomes, and the system was intermittent, which affected meeting of reporting deadlines.

Performance of the Public Procurement and Disposal of Public Assets Authority (PPDA) at 71.99% was good, attributable to the number of audits and compliance of procuring entities at

[47] Quarterly releases are due in 10 working days of the beginning of a quarter.
[48] Based on 7 programmes/projects from three votes; 008 MFPED, 141 URA,153 PPDA.

central and local governments conducted increased. However, there was limited awareness of some procurement methods and guidelines among entities.

Agriculture

The overall semi-annual performance of the agriculture sector during FY 2018/19 was fair (61.80%). The BoU/MFPED, UCDA, LGs and CDO were the best performers, while the MAAIF and NARO were the worst performers. Whereas releases from MFPED to MDAs were generally timely, the pace of disbursements from MAAIF, sector agencies and District Collection Accounts to spending departments was slow and a significant amount of released funds were not spent.

The poor resource disbursement resulted in delayed or non-implementation of planned activities. Slow disbursements were on account of late submission of accountabilities for spent funds by lower local governments (LLGs); late approval of requisitions by Accounting Officers; transition from Tier 2 to Tier 1 on the Integrated Financial Management System (IFMS); and slow execution of procurement processes. Front loaded funds were not spent, indicating poor cash flow forecasting.

However, despite the slow funds disbursement and implementation processes, there were major improvements in service delivery within the agriculture sector in line with the budget strategy for FY 2018/19. Good performance was associated with timely and direct releases of the Extension Grant to the LGs, increased access by farmers to extension workers, enhanced provision of water for production facilities, increased budgets for some of the agencies, improved access to the Agricultural Credit Facility, and reduced absenteeism of agricultural staff in the districts.

There was increased adoption of improved farming practices by farmers countrywide due to improved access to extension services. The MAAIF excavated 113 community valley tanks, dams and ponds country wide, cleared 12,500 acres of bush, opened and improved 382km of farm access roads, ploughed and planted 8,500 acres of farm land and has trained 40 operators and technicians to sustain the intervention. Farmers accessed strategic inputs and equipment under the Agricultural Advisory Services programme.

Among the key challenges affecting performance were slow disbursement of funds to spending agencies; late submission of accountabilities; diversion of funds to other ministry activities; delayed initiation of procurements; inadequate research funds after the closure of the donor project; land wrangles and encroachment; inadequate infrastructure for genetic breeding and insufficient inputs.

Education and Sports

The overall sector performance at half year was good at 79.4%. The sector registered a good financial performance as 52% of the budget was released, and of that, 90% was expended. In general, the recurrent budgets performed better than the development budgets.

In regard to output performance, the best performing votes were National Curriculum Development Centre, Uganda Management Institute, and Mbarara University. Some of the votes with good performance included, Gulu University, Makerere University Business School, Local Governments, Kyambogo University, and Kabale University.

The worst performing votes were Ministry of Education and Sports, Soroti University, and Muni University. This was attributed to delayed release of development funds for Muni, delayed procurement processes for Soroti University, while for MoES, diversion of funds from the core activities to pay staff allowances, as well as delayed procurement processes affected project implementation.

A number of achievements registered in the sector included: infrastructure development, provision of instructional materials, capacity building of teachers and curriculum development.

The sector however, also registered a number of challenges in the implementation of planned interventions and ultimately this negatively affected service delivery. These include: i) delayed procurement affecting commencement and continuation of civils works ii) poor planning as many project became effective before the necessary preparatory activities were undertaken, iii) loss of donor funds, iv) low staffing levels, and unrealistic staff ceilings across the sector.

Energy

The overall sector performance at half year was fair at 68.5%. Notable among the achievements was the completion of major works and commissioning of two generating units at Isimba Hydro Power Project (HPP) adding 90MW to the national grid, and the two remaining units were to come on line in a month's time.

Good performance was exhibited by the large hydro programme (70.5%). The Rural Electrification Programme also exhibited good performance scoring 74.1%. A total of 1,049.02km of low voltage distribution lines and 1,315.28 km of medium voltage distribution lines were completed and commissioned under AFD (French Development Agency) funding in areas of Eastern, Central, South Western and Western Uganda.

Other the programmes performed fairly namely: Energy Planning, Management and Infrastructure Development (63.0%); Petroleum Exploration, Development, Production, Value Addition and Distribution of Petroleum Products (68.5%); Mineral Exploration, Development and Value Addition (66.5%).

The performance of some programmes and sub-programmes in the sector could be better if the following implementation challenges that continue to hinder sector performance are overcome: difficulty in acquisition of RoW especially for the transmission line projects, poor allocative efficiency leading to non-prioritization of some critical activities under the Oil and Minerals sub-sectors, and slow procurement pace, especially for projects under REA.

Health

The overall performance was below average at 45% achievement of the output targets. However, some programmes performed well including; Pharmaceutical and other supplies where vaccines, ARVS, ACTS, among other health supplies were provided. Clinical Health Services Programme and Public Health Services equally performed well as public health emergencies were contained by 31st December 2018.

In relation to Votes; the MoH achieved 60% of set targets; Butabika Hospital 68%, Health Service Commission 18%, Uganda Heart and Cancer Institutes at 65% and 43% respectively, RRH at 56% and UBTS at 45%. The worst performance was recorded under LGs (6%) Primary Health Care Development grant.

Good performance was occasioned by early initiation of procurement, timely availability of funds, and vigilance of the project implementers. On the other hand, poor performance was occasioned by late initiation of procurements, poor communication between the MoH and LGs on guidelines for utilization of funds as well as late submission of recruitment requisitions to MoPs, MoH and Health Service Commission, plus inadequate funds for safe blood collection, processing, storage and distribution.

The Health Sector absorption trends especially for the development grant and wage remain low. Planning and prioritization is weak evidenced by a shortfall of funds for some entities while others return funds to the Consolidated Fund. The key inputs of service delivery including; safe blood availability and other health supplies, human resources, equipment, health infrastructure are improving but at a slow pace.

The MoH and other sector votes should expeditiously address challenges related to late procurements, delays in seeking approvals from MoPS, submissions to MoH and HSC for timely recruitment and deployment of health workers, prioritization in funding, and communication between MoH and LGs.

Information and Communications Technology

The overall ICT sector performance in terms of outputs was fair (63%). Although the release of funds to the sector was good (60% of annual), expenditure performance by half year was poor (45% of released funds). There was low absorption under both Votes (NITA-U at 50% and MoICT&NG at 30%). The programme for streamlined IT Governance and Capacity Development under NITA-U performed better than other programmes (95.8%), whereas the program for General Administration, Policy and Planning under MoICT&NG posted poor performance (43.7%). The poor performance was due to delays in initiation of procurements.

In terms of physical progress, 65 new MDA sites were connected to the National Backbone Infrastructure (NBI) bringing the total number of connected sites to 397. Of these, 282 were receiving services including internet bandwidth, IFMS, leased lines, dark fibre and Data Centre. However, the price of Internet bandwidth was maintained at the same level as FY 2017/18 at US$ 70 Mbps per month. The coverage of MYUG Free Public WI-FI service was expanded to cover over 284 locations. Two (2) additional e-government services were added to the e-

Citizens Portal (http://ecitizen.go.ug) in an effort to deliver electronic public services which improved citizen access to Government services.

The Data Protection and Privacy Bill, 2015 was passed by Parliament and was awaiting assent by H.E The President of the Republic of Uganda**.** The first draft of the E-Commerce strategy and the roadmap for institutionalization of ICT cadres in Government were also developed. Sensitization activities on IT legislation were carried out to enhance awareness within Government, regulated entities and the public.

The RCIP project registered increased budget absorption by Q2 due to increased implementation of a number of key activities namely; the Unified Messaging and Collaboration System (UMCS), the Cloud Solution, the e-Government Procurement (e-GP) and the Consultancy for Gap Analysis for legal and regulatory framework for the ICT sector.

Performance was hampered by delays in initiation of procurements, poor absorption of funds, low ICT technical capacity within MDAs (human resource, hardware and software) to support the systems, under staffing at the MoICT and NITA-U to attend to all requests from MDAs and stakeholders, low staffing levels in technical departments, resistance to integration of ICT systems leading to duplication, inadequate budget to finalize the revamping and clearing of arrears at UBC, and delays in procurement approvals/securing no objection from the World Bank.

Industrialization

Although the sub-sector is vital in Uganda's development agenda, it is being driven by simple processing and construction activities. The transformative manufacturing sub-sector has lagged behind and it is characterized by production of low value goods largely from small and medium size enterprises (SMEs). Manufacturing employs only about 5.7 percent of the total labour force with a declining share in employment. The agro-industries depend on subsistence suppliers using rudimentary production techniques and pay limited attention to quality of raw materials.

The sub-sector is associated with poor planning, governance gaps, lack of synergies amongst partners, expensive credit, inadequate funding, poor prioritization and poor standards enforcement among others.

There is therefore need to capitalize UDC and UDB, create synergies among implementing agencies to reduce costs and ease implementation. The sub-sector should also ensure implementation of programmes as planned to achieve the sector NDP II objective of industrialization, value addition, and job creation.

Other inhibitors to sub-sector performance include; intermittent, poor quality and expensive power to run the factories, and staffing gaps.

Public Sector Management

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 programmess 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.

Roads

The total budget for the Works and Transport Sector in FY 2018/19 including arrears is Ug shs 4,793.829 billion. This increased by Ug shs 294.43 billion (6.54%) from the previous FY. The breakdown of the budget for the FY 2018/19 by Vote (excluding arrears) is: Vote 016 - MoWT had Ug shs 874.798 billion (18.25%); Vote 113 - UNRA had Ug shs 3,130.414 billion (65.3%); Vote 118 - URF had Ug shs 542.517.413 billion (11.32%); Vote 122 – KCCA has Ug shs 223.26 billion (4.66%); Vote 500 – Local Governments has Ug shs 22.840 billion (0.48%).

The sector financial performance was good as the budget release and absorption by 31st December 2018 was 59.64% and 86.6% respectively. The three votes monitored: Vote 013-MoWT, Vote 116-UNRA and Vote 118-URF had a combined release of Ug shs 2,712.44 billion, of which Ug shs 2,069.96 billion was expended. The budget release and absorption of Vote 013-MoWT, Vote 116-UNRA and Vote 118-URF in the road sub-sector was 49.18%, 43.16% and 53.22%; and 94.51%, 82.40%, and 99.20% respectively. The very good performance of the URF was attributed to the transfer of all funds received to the designated agencies.

The roads sub-sector performance was good at 72%. The performance was greatly contributed by the URF; and this was tagged to: acquisition of new Japanese road maintenance equipment from MoWT by all the District Local Governments; improvement in staffing levels and the commencement of framework mechanized contracts for maintenance of roads at the UNRA stations. Achievement of targets was however affected by delays in procurement of road construction materials and service providers in the MoWT and at UNRA stations; the inclement rains in the first half of the financial year which disrupted works progress of on-going projects and caused emergencies on the national and district road networks leading to deviation from planned activities.

The performance of the roads sub-sector in MoWT was fair at 62%. This was attributed to the good performance of the Construction of Selected Bridges project which was at 78%. Implementation of planned outputs by the force account implementing units was enhanced by the acquisition of the new Japanese equipment. However, heavy rains during the first half of the financial year and delays in procurement of service providers continued to affect implementation of activities despite the good release performance of 52% of the budget. Projects like the EATTFP experienced funding short falls during implementation and thus activities were implemented beyond the stipulated timelines bearing a cost on the government.

The performance of UNRA which implemented the National Roads Construction/Rehabilitation programme was good at 76.6%. This was attributed to achievement of: 159km (39.75%) out of that annual target of 400km of national gravel roads that upgraded to tarmac; 55km-equivalent (27.5%) out of the 200km of paved national roads that were reconstructed/rehabilitated, and two (2) bridges out of five that were constructed. Notable among the well performing projects was Kashenyi–Mitooma (11.53Km) and Kitabi Seminary Access Road (0.8Km) which achieved over 90% of the annual targets by 31st December 2018. Failure to meet the semi-annual targets was mainly attributed to the heavy rains experienced in Q2 and the delayed acquisition of the right of way for upgrading projects. These shortfalls in the semi-annual targets are likely to hamper the achievement of the annual targets and consequently, achievement of outcomes.

The performance of the URF was good at 71%. The vote has two programs: District, Urban and Community Access Roads (DUCAR) and the National Roads Maintenance (NRM). The performance of the DUCAR maintenance programme was 61.4%, while that of the NRM programme implemented by UNRA was at 80%. Local governments such as Butebo, Buvuma, Dokolo, Kalungu, Kakumiro, Kisoro, Mayuge districts and Njeru and Sheema Municipalities achieved at least 80% of their half year targets. The good performance for the above districts was attributed to the acquisition and utilization of the new Japanese road maintenance equipment from MoWT which enabled the implementation of most of the annual planned outputs.

On the other hand, Amolatar, Amuria, Bundibugyo, Manafwa, Mbale districts; and Fort Portal and Soroti municipalities had a poor performance. The poor performance was attributed to factors such as; delayed procurement, sharing of the inadequate equipment between district; town council and sub-county, lack of excavators to excavate gravel for spot gravelling and technical challenges on the IFMS rendering funds inaccessible. Manafwa District had a 0% achievement on the district network because the only available grader was shared between the six town councils and 15 sub-counties.

The NRM achievement of the annual output targets was good at 80%. The physical performance of the force account and contract components of the NRM programme were good at 74.7% and 85% respectively. Despite the good performance, the NRM programme is still hampered by inadequate and dilapidated equipment; and delays in procurement of culverts and gravel due to failure of the regional contracts committees to convene since the members are spread all over the regions. Additionally, the threshold for micro procurement of Ug shs 5 million is unrealistic for acquisition of equipment spares and other inputs since the UNRA stations are required to aggregate them.

Achievement of sub-sector targets was affected by: inadequate facilitation of supervision vehicles across all implementing agencies, prolonged torrential rains experienced in most parts of the country in the months of October to December 2018; delayed acquisition of RoW on most upgrading projects, understaffing of works departments within LGs, underutilization of the newly acquired Japanese equipment at the LGs due to lack of transportation equipment like low bed trucks and the inadequate capacity of operators, and dilapidated equipment fleet at the municipal councils which compels them to rely on hired equipment or borrow from LGs.

Science, Technology and Innovation

The half year sector performance was fair (65.6%). Most of the recurrent sub-programmes especially those under Finance and Administration exhibited good performance, while the development programmes performed poorly. The STI mission of providing leadership, an enabling environment and resources for scientific research and knowledge-based development for industrialization, competitiveness and employment creation, leading to a sustainable economy is in tandem with the country’s Vision 2040 and NDP II.

If facilitated, the STI sector is capable of contributing to the industrialization agenda of Uganda. However, a number of interventions supported under the innovation fund were at the verge of failure due to unexpected funding cuts. This is likely to impede the achievement of its intended objectives and sector outcomes. The GoU therefore should consider stable and appropriate funding to the sector to achieve the objectives.

Chapter 15: RECOMMENDATIONS

This chapter highlights the key recommendations emerging from the field findings on physical and financial performance of selected government programmes during the semi-annual monitoring for FY2018/19.

Financial Management

i) The MFPED Budget Directorate should strengthen the analysis of sector budget submissions (budget framework papers, and budgets) to eliminate any lapses in budget estimates and allocations made.

ii) The MFPED Budget Directorate, Tax Policy Department and URA should step up efforts to monitor revenue performance with the aim of improving revenue collections and enhance budget allocations.

iii) The MFPED Budget Directorate should reject sector plans that are not aligned to the second National Development Plan (NDP II) to address some of the funding pressures that lead to supplementary budgets

Accountability

i) The MFPED together with the National Planning Authority (NPA), Uganda Bureau of Statistics (UBOS), and Office of Prime Minister (OPM) should improve the outcome indicators and also link the output indicators to the outcomes.

ii) The National Information and Technology Authority-Uganda (NITA-U) and Ministry of Information and Communications Technology (MoICT) should work together to expedite provision of stable internet services to support the e-services offered by MDA&LGs.

iii) The NITA-U should facilitate the sharing and tracking of information between government e-systems, for example a quick verification of tax clearance certificates in support of applications to supply government services under the Public Procurement and Disposal of Public Assets Authority (PPDA) should be enabled.

iv) The sector institutions MFPED, MSC, PPDA, and URA should prioritize training and awareness initiatives to support the roll out of innovations developed.

Agriculture

i) The MFPED should provide bridge financing to sustain the research and breeding work that was ongoing under the ATAAS project, and identify additional sources of funding for the agricultural research programme.

ii) The MFPED should enforce compliance of Accounting Officers and Heads or Departments to PFM regulations regarding timely disbursement and accountability of funds.

iii) The MFPED should merge all similar grants – PMG, Extension, DDEG – into one grant for the production department in local governments.

iv) The MAAIF and Operation Wealth Creation Secretariat should review and restructure the NAADS/OWC to move away from distributing inputs to focus funds on mechanisation and provision of value addition and agro-processing machinery and equipment.

v) The MAAIF should collaborate with the Ministry of Lands, Housing and Urban Development, and Uganda Land Commission and Tribunals to resolve all outstanding land related conflicts in Government land for agricultural sector institutions, demarcate boundaries and title all the lands.

Education and Sports

i) The MoES should expedite the procurement process for the UgIFT project to ensure that contracts are awarded and works commence. Relatedly, funds that will be swept back by the system should be returned to the implementing districts to ensure that works are not disrupted.

ii) The MoES and all project implementers should undertake adequate project planning and preparations (for both donor and GoU funded projects) well in advance of the project effectiveness and start dates.

iii) The MFPED and MoES should mobilize funds for procurement of furniture for schools under the UTSEP project to avert loss of project resources.

iv) The Ministry of Public Service and MoES should revise the existing staff ceilings in order to allow recruitment of teachers in primary and secondary schools.

Energy

i) The Government should work with the courts of law to ease the burden UETCL is facing in acquisition of wayleaves. Several projects affected persons possess illegal land titles in wetlands and there are several court injunctions that are bogging down the land acquisition activities.

ii) The Ministry of Lands, Housing and Urban Development should review the land law to enable quicker acquisition of land, to fast-track implementation of projects.

iii) The sector should prioritize funding to some of its neglected areas, like equipping mineral and oil laboratories, and the acquisition of the required equipment, software and licenses for the Oil and Gas sub-sector.

Health

i) The MoH should ensure that contractors execute works within the contracted schedule to enable absorption of allocated funds.

ii) The MFPED should issue sanctions to Accounting Officers that fail to absorb funds due to delayed procurement.

iii) The MoH should formally communicate the guidelines to the DLGs as soon as the Indicative Planning Figures are dispatched.

iv) The MoH, HSC, MoPS and District Service Commissions should work together regarding revision of advertising, recruitment and deployment timelines to ensure absorption of the allocated wage bill.

v) The UBTS, National Medical Stores, MoH and MFPED should ensure harmonized planning for blood collection, processing, storage, and transportation among others.

Information and Communications Technology

i) The NITA-U through the RCIP should prioritise provision of key hardware and software such as computers and structured cabling to agencies where the NBI was delivered, but not in use in order to increase the uptake of e-enabled services.

ii) The NITA-U should regularly engage the World Bank Task Team Leader to ensure that securing “no objections” is done in time.

iii) The MoICT&NG, NITA-U and MoPS should review the staff ceiling for the sector to increase on implementation efficiency by filling more technical positions.

iv) The MoICT&NG and NITA-U should develop a change management strategy to ensure that duplication is minimised on procurement and use of ICT installations.

v) The outstanding arrears to URA, NSSF and staff gratuity under UBC should be prioritised and funded.

Industrialization

i) Government agencies should strengthen linkages and build synergies in project implementation and execution. The UDC, UIA and NWSC should prioritize the establishment of a waste disposal facility at Soroti Industrial and Business Park to avoid delays in operationalization of the fruit factory and industrial parks.

ii) The power distribution and transmission companies (UMEME and UETCL) should improve the quality of power to avoid loss of sensitive equipment by industrialists.

iii) The GoU should ensure capitalisation of the UDC and Uganda Development Bank to not only allow incubation of transformative manufacturing, but avail affordable credit to manufacturers.

iv) The MoTIC under the RIDP should improve the quality of equipment supplied and align the project interventions to its objectives.

v) The UDC should fast-track implementation of planned activities in order to absorb the funds disbursed.

vi) The MoTIC and MFPED should urgently address the governance and management challenges at both UDC and UIA as they directly impact on the entities' performance.

Public Sector Management

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.

Roads

i) Implementing units should take advantage of the dry season to expedite works to make up for the time lost during the heavy rains.

ii) The planning units in implementing agencies should prioritize early procurement to minimize delays in implementation.

iii) All agencies should provide road maintenance implementing units with sound and adequate supervision vehicles.

iv) The MFPED and MoWT should consider procuring complete equipment units for the municipalities and UNRA stations. Municipalities did not benefit from the newly acquired Japanese equipment.

v) The GoU/UNRA should mobilize sufficient funds for full compensation of the PAPs on ongoing projects. For future projects, construction contracts should only be signed after the land acquisition process is in final stages.

Science, Technology and Innovation

i) The MoSTI should finalize the development of guidelines for the Innovation Fund.

ii) The MoSTI and KMC should enhance stakeholder engagement to appreciate the road map and associated timelines for the commercialization of the Kiira EV project.

iii) The GoU should review the legal framework establishing the UNCST and MoSTI to avoid duplication of roles.

iv) The approved vacant posts in the MoSTI, UIRI and KMC should be filled to address the human resource gaps.

v) The MEMD through her agencies should improve the quality of power and provide stable supply to the grid to minimize loss of equipment resulting from voltage surges.

vi) The MFPED and Parliament should allocate and appropriate funds respectively for development activities for UNCST, UIRI and MoSTI to facilitate counterpart funding for research collaboration and infrastructure.

vii) The Parliament should review the decision that suspended development funding to the sector through the Innovation Fund to enable the scientists with “work in progress” to complete prototypes and possibly transit to commercialization.

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Vote 116 Ministry of Works and Transport Quarter Two Performance Report FY 2018/19.

Vote 118 Uganda Road Fund Quarter Two Performance Report FY 2018/19.

Annexes

Annex 4.1: Accountability Programmes Monitored for during Semi-Annual FY2018/19

S/no	Vote/Project	Sampled Regions
	Vote 008 Ministry of Finance Planning and Economic Development	
1	Budget preparation, execution and reporting PBS and PBB	LGs-Agago, Arua,Bugiri, Kabale,Kaliro,Kamuli, Kapchorwa,Koboko, Kween,Maracha,Mityana, Namayingo,Nebbi,Otuke,Omoro,Rubirizi,
2	Financial Sector Development; The Micro Finance Support Centre(MSC)- Project for Financial Inclusion in Rural Areas (PROFIRA)	MSC Zonal Offices-Arua, Kabale, Mbale, Jinja, Lira/Gulu, Kampala,Masaka, Mbarara, Supported groups in the LGs of; Agago, Arua,Bugiri, Kabale,Kaliro,Kamuli, Kapchorwa, Koboko, Kween, Maracha, Mityana, Namayingo, Nebbi, Otuke, Omoro, Rubirizi
	Vote 141 Uganda Revenue Authority	
3	Administration and Support services Revenue Collection & Administration	URA Head Quarters, URA Regional offices of; Arua, Gulu,Mbarara,Mbale, Malaba boarder post, supported LGs of; Agago, Arua,Bugiri, Kabale,Kaliro,Kamuli, Kapchorwa, Koboko, Kween, Maracha, Mityana, Namayingo, Nebbi, Otuke, Omoro, Rubirizi
	Vote 153 Public Procurement and Disposal of Assets	
5	Regulation of the Procurement and Disposal System	PPDA regional offices in; Gulu, Mbarara, and Mbale. Supported entities in LGs; Arua, Bugiri, Kabale, Kaliro, Kamuli, Kapchorwa,Koboko, Kween, Maracha, Namayingo, Nebbi, Otuke, Omoro, Rubirizi, Ministry of Water and Environment (MWE), Ministry of Works and Transport (MoWT) and Ministry of Agriculture Animal Industries and Fisheries (MAAIF).

Annex 5.1: Agriculture Sector Programmes Monitored for FY 2018/19 Semi-annual

Vote	Programme	Sampled sub-programmes	Sampled districts/ Institutions
008 MFPED	Agricultural Credit Facility	Agricultural credit facility projects	Masindi, Mbarara, Tororo, Wakiso
152 NAADS	Agricultural Advisory Services	01 Headquarters	Arua, Bushenyi, Gulu, Iganga, Isingiro, Jinja, Kabale, Kaliro, Kamuli, Kiryandongo, Kole, Lira, Mbarara, Nebbi, Oyam, Rukungiri, Tororo, Zombo
		0903 Government purchases	
142 NARO	Agricultural Research	01 Headquarters	NARO Secretariat, Jinja, Arua, Mbarara, Kabale, Mukono, Lira, Wakiso
		0382 Support for NARO	
		08 NaFRRI	
		13 Abi ZARDI	
		15 Kachwekano ZARDI	
		16 Mukono ZARDI	
		17 Ngetta ZARDI	
		19 Mbarara ZARDI	
		27 National Coffee Research Institute (NACORI)	
Vote 155 CDO	Cotton Development	01 Headquarters	CDO Headquarters, East Acholi. West Acholi and East Madi, West Nile, South Eastern/Busoga, Middle Western Central and Tororo/Butaleja.
		1219 Cotton Production Improvement	
Vote 160 UCDA	Coffee Development	01 Development Services	
		02 Strategy and Business Development	
		03 Quality and Regulatory Services	
Vote 125 NAGRC	Breeding and Genetic Development	01 Headquarters	Livestock Experimental Station (LES) – Wakiso, Lusenke Stock Farm – Kayunga, Kasolwe Stock Farm – Kamuli, Maruzi Ranch – Apac, Njeru Stock Farm – Buikwe, Nshaara Ranch – Kiruhura, Sanga Field Station – Kiruhura, Ruhengyere Field station - Kiruhura
		02 Dairy Cattle	
		03 Beef cattle	
		04 Poultry	
		05 Small ruminants and non ruminants	
		06 Pasture and feeds	
		08 National Animal Data Bank	
		09 Fish breeding and production	

		10 ARTs	
		1325 NAGRC Strategic Intervention for Animal Genetics Improvement Project	
	02 Directorate of Animal Resources	Meat Export Support Services (1358)	MAAIF, Kyankwanzi, Gomba
	03 Directorate of Agricultural Extension and Skills Development	26 Directorate of Agricultural Extension Services	Arua, Bushenyi, Gulu, Iganga, Isingiro, Jinja, Kabale, Kaliro, Kamuli, Kiryandongo, Kole, Lira, Mbarara, Nebbi, Oyam, Rukungiri, Tororo, Zombo
500 LGs	District Production Services	0100 Production Department – Agricultural Extension Grant	Arua, Bushenyi, Gulu, Iganga, Isingiro, Jinja, Kabale, Kaliro, Kamuli, Kiryandongo, Kole, Lira, Mbarara, Nebbi, Oyam, Rukungiri, Tororo, Zombo
		04 Production and Marketing	

Source: Authors compilation.

Annex 7.2: Energy Sector Projects Monitored for Q2 FY 2018/19

Project Code and Name	Location/ Areas visited
Vote 017: Ministry of Energy and Mineral Development	
0301 Energy Planning, Management and Infrastructure Development programme	
Electricity Sector Development (Project 1212)	Wakiso, Mpigi, Masaka, Kalungi
Karuma Interconnection Project (Project 1025)	Luwero, Nakasongola, Kiryandongo, Lira, Nwoya
Electrification of Industrial Parks	Iganga, Mukono, Namanve, Luzira
Mbarara- Nkenda/Tororo-Lira (Project: 1137)	Mbarara, Kasese, Tororo, Lira
Nile Equatorial Lakes Subsidiary Action Program-(NELSAP):Bujagali-Tororo-Lessos/ Mbarara- Mirama- Birembo (Project 1140)	Jinja, Tororo, Mbarara, Ntungamo
0302 Large Hydropower Infrastructure programme	
Isimba Hydropower Plant (Project 1143)	Kayunga
Karuma Hydropower Plant (Project 1183)	Kiryandongo, Nwoya
0303 Petroleum Exploration, Development Production, Value Addition and Distribution programme	
Strengthening the Development and Production Phases of Oil and Gas sector (Project: 1355)	Entebbe
0305 Mineral Exploration, Development and Production programme	
Design, Construction and Installation of Uganda National Infrasound Network (DCIIN)-(1392)	Entebbe

Project Code and Name	Location/ Areas visited
Mineral Wealth and Mining Infrastructure Development (Project: 1353)	Entebbe, Moroto
Vote 123: Rural Electrification Agency	
03 51 Rural Electrification programme	
Rural Electrification (Project:1262)	Ntungamo, Rukungiri, Mbarara, Bushenyi, ,Rukungiri, Kabale, Hoima, Kyenjojo, Kabarole, Kamwenge, Buyende, Kayunga, Sheema, Masaka, Mpigi, Mityana Wakiso, Mukono, Buikwe, Kamuli, Iganga, Buyende, Jinja, Hoima, Kyenjojo, Kibaale, Kabarole, Kasese, Kisoro, Kiryandongo, Masindi, Moroto, Nakapiripitt, Lira, Soroti, Serere, Mpigi, Amolatar, Kiboga, Kyankwanzi, Hoima,
Energy for Rural Transformation- ERTIII(Project 1428)	
Grid Electrification Project IDB I(Project 1354)	

Source: Authors' Compilation

Table 8.1: Health Sector Votes, Programmes and Sub-programmes selected for Semi-Annual Monitoring FY 2018/19

Vote Code	Vote	Programmes monitored	Sub-Programmes monitored	Location
014	MoH	Health Infrastructure and Equipment	Institutional Support to MoH (Project 1027); Renovation and Equipping of Kayunga and Yumbe General Hospitals (Project 1344); Regional Hospital for Pediatric Surgery (Project 1394); and Strengthening Capacity of Regional Referral Hospitals (Project 1519);	MoH, Mulago, Kayuga, Yumbe, Kawolo, Entebbe.
		Public Health Services	National Disease Control and East Africa Public Health Laboratory Network Project Phase II (1413)	Butabika, MoH, FortPortal, Mbarara, Arua, Mbale
		Clinical Health Services	Shared National Services, Integrative Curative/Clinical Services; Emergency Medical Services, and Health Infrastructure.	MoH, Wabigalo, 39 local governments
		Pharmaceutical and	GAVI Vaccines and Health	MoH, NMS, Butabika, 28

Vote Code	Vote	Programmes monitored	Sub-Programmes monitored	Location
		other Supplies	Sector Development Plan (1436). Global Fund for AIDS, TB and Malaria(220)	local governments
114	Uganda Cancer Institute (UCI)	Cancer Services	Medical Services (02);Radiotherapy (04); UCI (Project 1120); Institutional Support to UCI (1476); African Development Bank (ADB) Support to UCI	UCI-Mulago, Arua, Mbarara
115	Uganda Heart Institute (UHI)	Heart Services	Medical Services (02); UHI - Project 1121)	UHI-Mulago
134	Health Service Commission (HSC)	Human Resource Management for Health	Human Resource Management for Health, HSC (0365)	HSC, 14RRHs
151	Uganda Blood Transfusion Services (UBTS)	Safe Blood Provision	Regional Blood Banks, UBTS	UBTS-Blood Banks and Collection centres; , 14 RRHs
162	Butabika Hospital	Provision of specialized mental health services	Management; Butabika and health center remodeling/construction. Institutional Support to Butabika Hospital	Butabika Hospital
163-176	14 Referral Hospitals	Regional Referral Services	Hospital Services, Project 1004 and Institutional Support projects	14RRHs
501-850	Local governments	Primary Healthcare	Uganda Intergovernmental Fiscal Transfer Programme (UGFIT)	Kabale, Kabarole, Kagadi, Kamwenge, Kanungu, , Kyenjojo, Kyotera, Luwero, Lyantonde, Mpigi, Oyam,(**Table 8.26** for full list and their performance)

Source: Author's Compilation

Table 10.1: Industrialization Sub-sector Programmess and Sub-programmes/project Selected for Semi-Annual Monitoring FY2018/19

Vote	Programs and subprogram/Projects
Ministry of Finance, Planning and Economic Development (MFPED)	Development Policy and Investment Promotion Programme United States African Development Foundation (USADF)
Vote 015 Ministry of Trade, Industry and Cooperatives (MoTIC)	Industrial and technological development program Rural Industrial Development Project (RIDP) Value Addition to Tea (VAT) Soroti Fruit Factory (SFF) Establishment of Zonal Agro-processing Facilities
Vote 154 Uganda National Bureau of Standards (UNBS)	Standards Development, Promotion and Enforcement Program Construction of UNBS headquarters Phase two
Vote 513: Uganda Investment Authority (UIA)	General Administration and Support Services Investment Promotion and Facilitation Development of Industrial Parks

Source: Authors' Compilation

Annex 11.1: PSM Programmes Selected for Semi-Annual Monitoring 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, Nakapiripirit, 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.	Nakapiripirit, 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

Vote	Project/Programme	Sampled institutions/ districts
	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

Annex 12.1: Roads Sub-Sector Project/Programmes Selected for Semi-Annual Monitoring FY2018/19

Implementing Institution	Project/programme and location
Ministry of Works and Transport – Vote 016	Construction of Selected Bridges East African Trade an Transport Facilitation Project Urban Roads Resealing Project
Uganda National Roads Authority – Vote 113	Upgrading – 6 Projects Kitala - Gerenge (10km) Kashenyi-Mitooma (11.53km) and Katabi-Seminary Access Road (0.8km) Kigumba - Bulima (69km) Bulima-Kabwoya (66km), Kyenjojo-Kagadi-Kabwoya (100km) Bumbobi – Lwakhakha (44.5 km) Rehabilitation – 1 Projects Kyenjojo- Fort Portal (50km)
Uganda Road Fund – Vote 118	District, Urban and Community Access Roads (DUCAR) Maintenance Programme – 21 Districts Adjumani, Amolatar, Amuria, Apac, Arua, Bundibugyo, Butebo, Buvuma, Dokolo, Jinja, Kakumiro, Kalangala, Kalungu, Kisoro, Kyankwanzi, Lira, Manafwa, Mayuge, Mbale, Nebbi, and Ntungamo 6 Municipalities Fort Portal, Kira, Kisoro, Njeru, Kabwohe-Sheema, Soroti National Roads Maintenance Programme - 8 UNRA stations Fort Portal, Gulu, Lira, Luweero, Masaka, Mbarara, Moroto and Soroti

Source: Author's Compilation

Annex 13.1: Science, Technology and Innovation Sector Programmes/sub-programmes selected for Semi-Annual Monitoring FY2018/19

Vote	Program/Sub program
Vote 023, Ministry of Science, Technology and Innovations (MoSTI)	Research and innovation program Kiira Motors Corporation (KMC), Uganda National Council for Science and Technology (UNCST). Presidential Initiative of Banana Industrial Development project (PIBID)
Vote 110 Uganda Industrial; Research Institute (UIRI)	Industrial research Program Support to UIRI

Source: Author's Compilation