

2020

ANNUAL REPORT



DEVELOPMENT INITIATIVE FOR NORTHERN UGANDA (DINU)



COVER PICTURE: Aluga Cooperative Society, Alebtong district, is one of the beneficiaries of the Small Business Recovery Fund supporting businesses overcome liquidity challenges as a result of the COVID-19 pandemic
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2020

ANNUAL REPORT

**DEVELOPMENT INITIATIVE
FOR NORTHERN UGANDA (DINU)**

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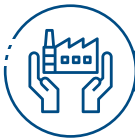


ABOUT DINU-UNCDF

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The Development Initiative for Northern Uganda (DINU) is a Government of Uganda programme supported by the European Union (EU) under the overall supervision of the Office of the Prime Minister (OPM). The overall goal of the initiative is to consolidate stability in Northern Uganda, reduce poverty as well as under-nutrition and strengthen the foundations for sustainable and inclusive socio-economic development.

The United Nations Capital Development Fund (UNCDF) is implementing designated activities under the DINU programme with the aim of:



Improving access to finance for Small and Medium Enterprises (SMEs) that are engaged in agricultural value addition



Improving the stock and quality of the district road assets

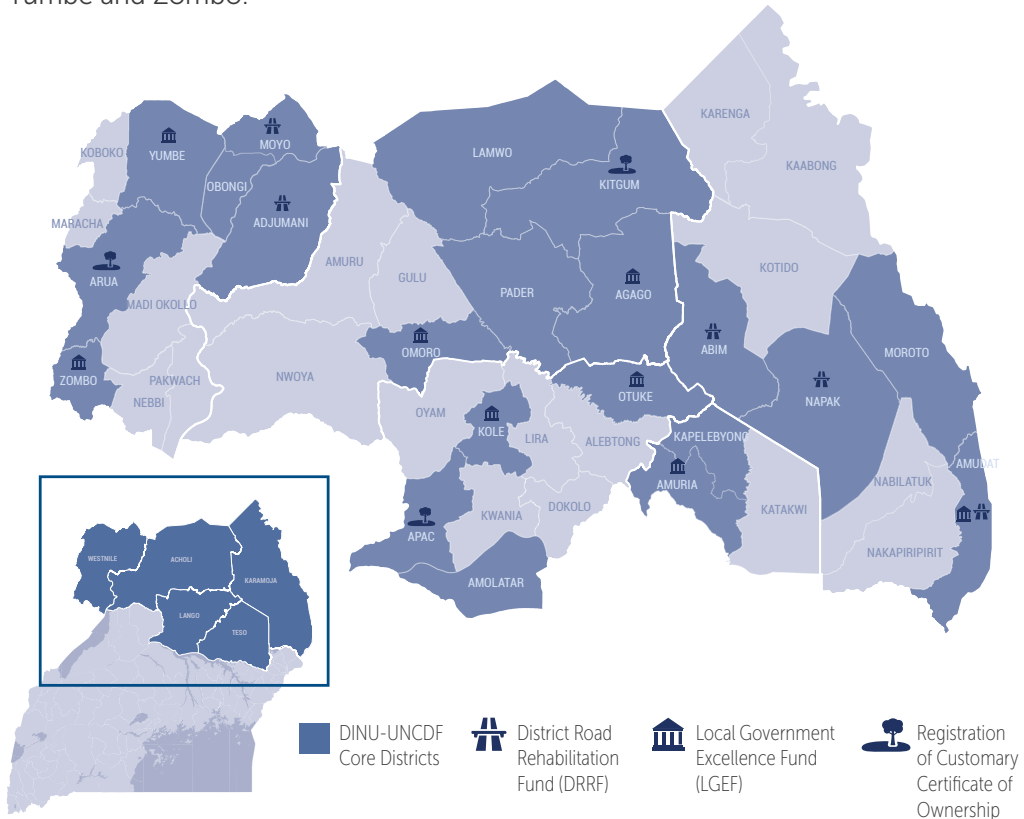


Increasing local fiscal Space and improving local service delivery

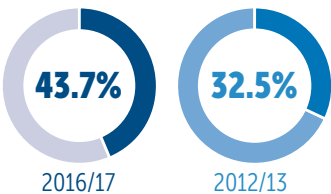
Specifically, UNCDF does the following

- **Runs a blended finance facility called Support to Agricultural Revitalization and Transformation (START) for SMEs involved in agribusiness value addition.** START improves access to finance for agro-processors through provision of business development services, concessional loans and partial credit guarantees.
- **Supports the rehabilitation of district and community access roads** in target districts through the District Road Rehabilitation Fund (DRRF) to connect local and regional markets and improve access of local communities to jobs and social services.
- **Manages a technical assistance and funding facility called the Local Government Excellence Fund (LGEF)** that offers financial incentives for improved performance of the target local governments as a catalyst to promote effective and efficient public service delivery. Local governments learn by doing and investing in local infrastructure that promote climate change adaptation and economic empowerment of women as well as young people.
- **Supports local government revenue administration and management** through both technical assistance support and the Local Revenue Enhancement Grant funding facility.
- **Provides technical assistance to local governments** to fulfil their core mandates.

UNCDF is working in the 40 districts of Northern Uganda with particular focus on 18 districts. These include: Abim, Adjumani, Agago, Amolatar, Amudat, Amuria, Kapelebyong, Kole, Lamwo, Moroto, Moyo, Napak, Obongi, Omoro, Otuke, Pader, Yumbe and Zombo.



Between 2012/13 and 2016/17 **poverty fell from 3.1 million to 2.3 million** in Northern Uganda



Northern region had the **highest proportion of persons engaged in subsistence production.**

Here, more women than men were engaged in production for own use.



About 92% of refugees live in Northern Uganda

(Adjumani, Arua, Koboko, Moyo, Lamwo and Yumbe) in settlements alongside the local communities

UNCDF implements this programme in partnership with the Ministry of Works and Transport, Ministry of Local Government, Local Government Finance Commission, Uganda Local Government Association (ULGA), Urban Authorities Association of Uganda, Private Sector Foundation Uganda (PSFU) and Uganda Development Bank (UDB) Ltd.

EXECUTIVE SUMMARY

Last year, 2020 was an extraordinary year; the world was rocked by a global pandemic COVID-19. As the virus spread country by country, lockdowns followed bringing the world to a standstill. Many businesses and organisations closed.

When the lockdowns shuttered business operations the team repurposed resources and realigned services to meet the needs of business enterprises and local governments in new and virtual ways. We also partnered with Makerere University College of Business and Management studies to undertake a socio-economic assessment of the impact of the pandemic of businesses and local governments providing recommendations to support entities manage the COVID-19 situation locally as well as plan for recovery post pandemic.

In spite of the challenges created by COVID-19 the team continued to steer ahead to deliver positive development changes for Northern Uganda. The road rehabilitation works begun and the programme continued to deliver business development support to small and medium enterprises to enable them to develop bankable proposals and as a result an additional 11 projects were submitted for funding. We continued to work with the local governments through virtual means to deliver relevant training and mentoring sessions.

The programme also produced several knowledge products including feasibility study exploring alternative financing options for sub-national governments which gave background to the Third Economic Mkutano 2020. This continues to position DINU-UNCDF as a knowledge leader in advocating for fiscal decentralization.

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Hon Amelia Kyambadde then Minister of Trade Industry and Cooperatives at the launch of the Uganda Business Impact Survey 2020, which assessed the impact of COVID-19 on business enterprises in the formal sector

©FILM REPORT



Hon Raphael Magyezi Minister of Local Government endorses the aide memoir at the closing of the Third Economic Mkutano 2020

In August 2020, the European Union Delegation to Uganda endorsed an amendment to the Delegation Agreement allowing the reprogramming of funds under the previously cancelled land component. The new activities include

- A scaled down land component to facilitate registration of customary certificates of ownership in three districts of Agago, Apac and Maracha which will be implemented in partnership with the Ministry of Lands Housing and Urban Development
- Scaling up of the Local Government Excellence Fund to cover an additional four districts of Agago, Kole, Napak and Zombo.
- Establishment of the Small Business Recovery Fund, a dedicated fund to provide working capital to shortlisted SMEs under the START Facility to support them overcome liquidity challenges because of the COVID-19 pandemic and the resultant restrictions. The funds are zero interest loans repayable within a year.

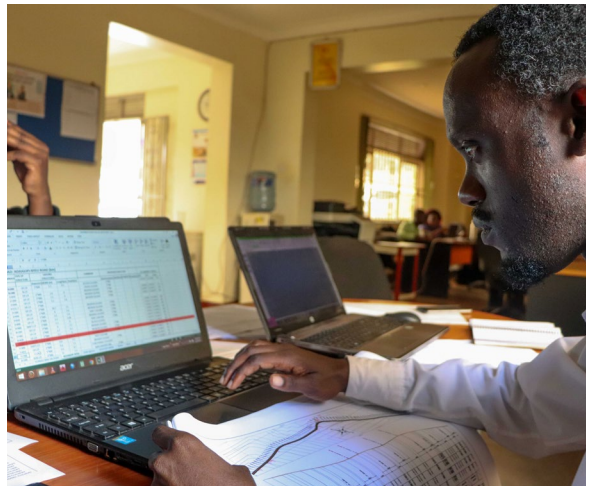
The past year has shown the need for adaptability and flexibility to respond to emerging situations. The programme demonstrated its agility by quickly responding to new challenges. Digital innovations have played a key role in supporting business continuity. As DINU-UNCDF plans ahead we look to mainstreaming digital solutions into programme interventions starting with the automation of the START application process, financial management systems of SMEs and of own source revenue administration for targeted districts.

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With funding from the programme Kapelebyong District started construction to upgrade community market facilities.

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To ensure continuity during the lockdown period, the programme adopted teleworking modalities and supported the districts with hardware and licenses to facilitate remote working.



FOOD SECURITY NUTRITION AND LIVELIHOODS

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Affordable lines of credit allow SMEs to grow and expand their business operations. By providing medium term concessional financing for agro-processing, DINU-UNCDF through START is supporting SMEs in priority sectors (cassava, coffee, soya, sesame, sorghum, rice, apiary, vegetables, groundnuts and livestock) to provide locally diverse food options, increase food security, improve maternal and child nutrition as well as enhance household incomes in Northern Uganda.

What is START?

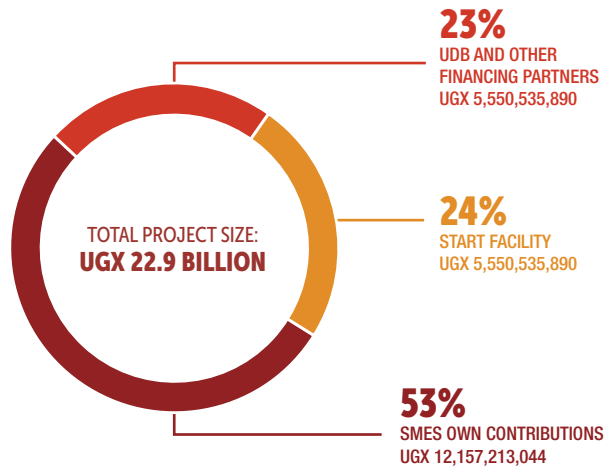
Support to Agricultural Revitalization and Transformation (START) is a blended financing facility providing a customized mix of business development services (BDS), project development and structuring and financial services. UNCDF implements the START facility in partnership PSFU and UDB.

In 2020, START worked with 11 SMEs to develop full project proposals for financing. The facility assesses both development and financial impact to develop the projects; the ability of a project to scale up and attract additional investment is assessed.

Developed 17 full projects in 8 districts which are providing additional income **FOR 75,000 FARMERS**



20% increase in profits for the enterprises



The projects have also led to a reduction in post-harvest losses by five percent, translating into 30 percent to 50 percent increase in profits for the enterprises.

In 2019, START intensified efforts to support SMEs to design bankable projects by developing a robust BDS programme to provide information, knowledge and skills on various business aspects. START continued to extend its BDS support to SMEs along different stages of the process.

In 2020,

Over 20 SMEs

received general BDS support to allow them complete their START applications

47 SMEs

received pre-investment BDS preparing them to proceed to the proposal development stage

2 SMEs

received post-investment BDS after funding to automate their financial processes to improve financial management and reporting

With the BDS support, we have realised improvement in the quality of proposals submitted by the SMEs.

In December 2020, START launched its third and final call for proposals using a fully automated online portal for SMEs to submit their applications. Previously, applicants submitted their applications through an email-based system.

CASE STUDY: Honey Pride Arua Ltd



In 2020, Honey Pride Arua Ltd was approved for financing. The company **received seed capital of UGX 170,000,000 for the purchase of modern equipment** including an electronic honey press for separating liquid honey from the honeycomb, eight settling tanks with a capacity of 1000kgs each and honey filtering equipment. The funds also supported purchase of honeycombs from farmers. With the purchase of the new equipment, Honey Pride Arua Ltd is already reaping some benefits.

In partnership with Uganda Micro Finance Support Centre, Honey Pride Arua Ltd has provided beehives and equipment to **1,762 farmers**.



Honey Pride Arua Ltd has recruited **eight permanent staff** and 18 temporary staff.



“ Since buying the new equipment, we have increased our capacity from 3.5 tonnes to 5 tonnes a month. This new equipment has improved the quality of our product and also increased efficiency. Our plan is to increase production to 30 tonnes per annum to enable us to supply larger businesses as well as export. We are closer to our dream.”

– Sam Aderubo Managing Director Honey Pride Arua Ltd.



COVID-19 RESPONSE

In 2020, the world was overtaken by the COVID-19 pandemic. As a result of the pandemic, many businesses were forced to close and a year later many are still struggling to recover. To provide solutions to liquidity challenges, the START Management Board approved the **Small Business Recovery Fund (SBRF) to support shortlisted SMEs under the START facility that were affected by COVID-19** to access short-term working capital. A total of 55 applications were received from SMEs, 17 shortlisted and eight proposals accessed reimbursable grants totalling to **UGX 320 million (€76,190) repayable in one year at no interest.**



I am really grateful for this funding; it came just at the right time. Lockdown was hard on us but now we are able to move, I have been able to reach places that I hadn't reached before, and I am meeting new farmers who will be our suppliers. We are slowly getting back on track,"

– Stella Keitirima, proprietor and majority holder of Stella Keitirima Enterprises Ltd (SKEL), Gulu District



TRANSPORT INFRASTRUCTURE

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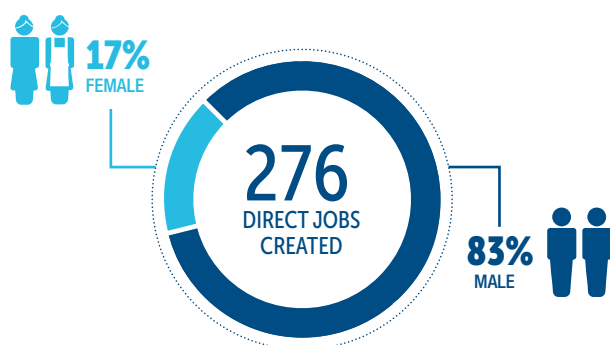
Reliable transport infrastructure connects rural communities to local and regional markets as well as improves accessibility to basic social services.

With the District Road Rehabilitation Fund (DRRF), the programme is supporting five districts including Abim, Adjumani, Amudat, Moyo and Obongi to rehabilitate 405 kms of district and community access roads. The DRRF aims to improve the capacity of local governments to manage conditional grants through a learning-by-doing process in utilising public resources for development of road assets

Road Rehabilitation and Maintenance

In 2020, construction works began on 358.85kms of road. DINU-UNCDF identified KOM Consult Limited to provide supervisory and technical assistance to the districts on the rehabilitation works.

As of December 2020, the **progress of physical works** was at **25%**



Since 2018, as part of the technical support to improving the quality of district and community access roads, the programme has been facilitating a roads maintenance training program at Mt. Elgon Labour Based Training Centre for technical and non-technical staff. In 2020, because of disruptions by the COVID-19 pandemic, the programme could conduct only one training course.

On the policy side, DINU-UNCDF spearheaded a taskforce composed of the Ministry of Works and Transport (MoWT), Uganda AIDS Commission, Joint United Nations Programme on HIV/AIDS (UNAIDS) and the United Nations Development Program (UNDP) to review the Ugandan government's strategy on management of HIV/AIDS risk in construction works. This initiative is aimed at promoting a proactive approach to integrate financing of HIV/AIDS risk assessment and management interventions in the roads sector.

ADJUMANI DISTRICT

118.44 Kms

4 District Roads

74.91Kms

7 Community Access Roads

31.31Kms

ABIM DISTRICT

92.72Kms

5 District Roads

84.72Kms

1 Community Access Roads

8Kms

MOYO DISTRICT

140.8 Kms

7 District Roads

112.97Kms

5 Community Access Roads

27.83Kms

AMUDAT DISTRICT

48.68 Kms

4 District Roads

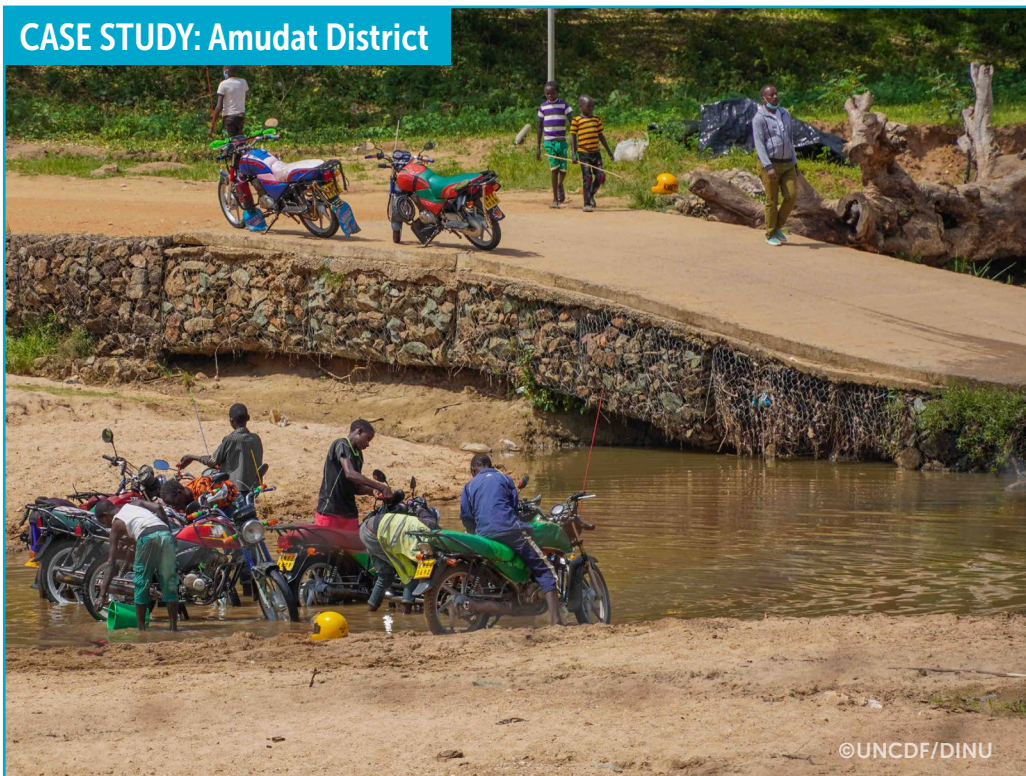
48.68 Kms



We hope that people will now be able to use these roads to take their produce to the markets, the roads will facilitate business activity in the region and spur local economic development,"

– Jenifer Bukokhe DINU-UNCDF Programme Manager

CASE STUDY: Amudat District



In Amudat district, Karawar-Katabok road (15.18) km is one of four road sections that are under rehabilitation. Seasonal rains washed away the murrum creating gullies and making the road impassable. This blocked access to social services such as major markets, schools, and health centres.

With support from DRRF, rehabilitation works on the road commenced. As the road works near completion, Mr. Andrew Losiya, the Chairperson L.C.II of Amudat sub-county notes that communities have started to use the road again. The road has become instrumental in linking communities to markets within Amudat and Nakapiripirit as well as markets across the border in Konyao and Kakeliba in Kenya, promoting cross-border trade. Mr. Losiya expects the resurgence of trade along the road to improve the livelihoods of his community. The road which was once abandoned has now become a major route for boda bodas (commercial motorcycle transport) from Nakapiripirit to Amudat and vice-versa as well as across the border. **Over 150 boda bodas ply the route daily.**

The boda bodas have become more available and affordable, easing transport for people.



We used to witness mothers delivering by the roadside, but now the ambulance from Amudat can easily access and rescue the expectant mothers. The boda bodas have also become helpful in delivering people to the health centres."

– Andrew Losiya, the Chairperson L.C.III of Amudat sub-county



GOOD GOVERNANCE

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Local governance institutions have a special role to play to promote local and sustainable development. DINU-UNCDF is working with relevant ministries, departments, and agencies as well as the targeted districts to develop their capacities to develop, finance, implement and support local development projects using public and private finance. In addition, the programme is supporting targeted districts to strengthen the government reforms on public financial management to improve administration and management of public resources.

Strengthening Public Finance Management

DINU-UNCDF is supporting the targeted 18 districts to carry out the Public Financial Management (PFM) 2018 reforms to improve the administration and management of public resources. The reforms majorly focus on increasing efficiency in allocation, use and availability of resources, elimination of corruption, intensifying accountability and strengthening of the PFM systems.

In 2020, the programme conducted several trainings to strengthen the capacity of district officials in implementing key PFM functions.

Working with relevant ministries and agencies (Ministry of Finance Planning and Economic Development, Office of the Prime Minister, Ministry of Gender, Labour and Social Development, Ministry of Water and Environment-Climate Change Department and the National Planning Authority), the programme supported the 18 focus districts to integrate key PFM and development issues into their District Development Plans and Annual Workplans. The issues covered included

- local economic development (LED),
- assets management,
- refugee response,
- gender, equity and social development
- climate change adaptation and mitigation

This helped the local governments to complete their District Development Plans in line with the National Development Plan (NDP) III.

In 2020, the Ministry of Local Government constituted district LED resource teams to support implementation of LED strategies at the local level to stimulate development. The programme worked with the resource teams of 16 districts to conduct relevant assessments of the local economy conditions to feed into the respective district LED strategies.

2 trainings



for officers internal audit units

- Audit planning
- Risk management
- Risk planning
- Reporting

35 Members



- 54 copies of internal audit manuals were provided to each of the participating districts.

1 training



Gender and equity planning and budgeting carried out in partnership with the Equal Opportunities Commission (EOC)

- Key concepts of policy framework
- Local government planning and budgeting cycle

389 Members



- District performance was analysed, reasons for poor performance identified and recommendations to guide improvement prescribed.
- Draft budget framework papers were also reviewed, and areas of improvement agreed upon with the districts.

Enhancing Local Revenue Collection and Mobilisation

To increase local fiscal space, DINU-UNCDF is working with the focus districts to strengthen capacities of mandated local government units to efficiently mobilise, allocate and utilise local revenue.

In 2020, the programme trained 356 local government officials on data collection techniques and operation of local revenue database management systems. All the 18 districts created registers for at least six revenue sources including Local Service Tax, trading licenses, market dues, property rates, Local Government Hotel Tax and forest produce fees.

Since FY2018/2019,

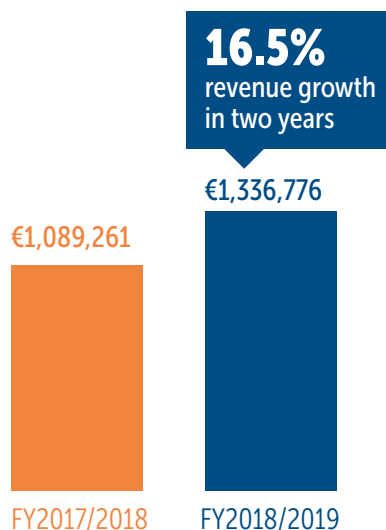
25,246 taxpayers

have been registered in the

18 pilot districts

with an estimated total revenue of UGX 5,614,463,143 (€1,336,776) in 2020.

This represents an increase of UGX 907,779,500 (€216,137).



The pilot districts developed comprehensive local revenue enhancement plans to support local revenue mobilisation activities. Each district received the Local Revenue Enhancement Grant to support implementation of the plans. The local governments are using the grant to undertake tax awareness activities, property assessment to prepare for deepening property tax collection as well as organising and securing markets for improved collection of market dues.

One of the major assets for local governments is land. However, in most cases, the land is untitled and without records. As a result, many local governments have lost land to unscrupulous individuals. Many projects stall because of land court cases and wrangles. The programme supported all the pilot to implement their asset management action plans (AMAPs) and in 2020, they prioritised land titling as the major activity. Each local government received UGX 10,000,000 (€2,380) to support implementation of their AMAPs.

Evidence Based Research

DINU-UNCDF plays a key role in raising awareness of local government challenges. DINU-UNCDF also works with local government associations to advocate for decentralised governance and devolution of powers.

In 2020, the programme commissioned a study on *“Effects of the Current Modality of Collection and Management of User Fees in Taxi/Bus Parks and Markets on Service Delivery.”* The report showed a general decline in the ability of local governments to manage these assets since the revenues accruing are meagre.

DINU-UNCDF also undertook a study to examine the *“Impact of Refugees on Service Delivery and Private Sector Development in Uganda.”* The accruing study report underscores the role of local governments in service delivery and recommends changes in the legal provisions to allow adequate involvement of local governments at the decision-making level.

With contracted fiscal space, local governments struggle to find additional funding to support their operations and service delivery objectives. In 2020, DINU-UNCDF initiated a feasibility study to explore alternative financing options to supplement the dwindling resources local governments receive from central government. The findings drafted in the *“Feasibility Into Alternative Finance for Sub-Nationals in Uganda”* recommended strengthening of own source revenue collection and called for adjustments to address barriers within the existing legal framework to allow local governments to explore innovative financing mechanisms.



Local Government Performance Assessment

In the FY 2017/2018, the Government of Uganda introduced the new local government performance assessment by which local governments are appraised. Working with the Ministry of Local Government, the programme is supporting the implementation of the annual assessment and introducing additional mechanisms to link local government performance to the achievement of the Sustainable Development Goals (SDGs).

In 2020, the programme succeeded in integrating three indicators into the Local Government Performance Assessment Manual. These include

- local economic development,
- climate adaptation and
- assets management

DINU-UNCDF continued to extend support to the districts to develop performance improvement plans to respond to the FY2019/2020 assessment results. There was a decline in performance for most of the core local governments compared to the previous financial year. Out of 18 districts, only five districts (Abim, Amudat, Amuria, Kole and Lamwo) registered improvement from the past year. In addition to the performance improvement plans, the programme supported the districts to undertake internal mock assessments in preparation for the FY2020/2021 assessment, familiarising the district teams with the changes to the assessment indicators.

One of the assessment indicators is the ability of local governments to stimulate community participation in district development projects. The parish development committees are primarily responsible for community mobilisation and sensitisation; however, the committees have largely been inactive. In 2020, DINU-UNCDF supported the Ministry of Local Government to develop guidelines for mobilising and training the committees.

Localising the SDGs

Achieving the SDGs requires local approaches. Local governments and communities are key in the implementation and achievement of the SDGs. In 2020, the programme intensified its efforts on localising the SDGs as the decade of action to accelerate the achievement of the SDGs kicked off.

Preliminary activities included the translation of SDGs-related materials (brochures and banners) into six notable local languages in Northern Uganda including Ateso, Lugbara Ti, Luo, Madi Ti, NgaKarimojong and Pokot to support sensitisation of communities. To support community sensitisation, 28 district officials including district planners and community development officers underwent a training of trainers on localisation of the SDGs. As part of the training, the officers were guided on how to integrate SDGs into their five-year district development plans to enable tracking of progress on the goals. The districts received UGX 308,421,000 (€73,433) to facilitate the localisation activities.



Local Government Excellence Fund

Leveraging its experience in local development finance, UNCDF is working with select local governments to invest in local infrastructure to promote economic empowerment of women and youth as well as climate adaptation. Through the Local Government Excellence Fund (LGEF), the programme channels funds to local governments to develop economic infrastructure. LGEF supports local governments to access additional funding, capacity building and technical assistance to spur local economic development. Since 2018, LGEF was being implemented in the five districts of Amudat, Amuria (including Kapelebyong), Omoro, Otuke and Yumbe. It has disbursed over UGX 2.1 billion (€508,344.69), attracting an additional contribution of UGX 640 million (€152,619) from the local governments, non-governmental organisations such as Mercy Corps and community members.

This has resulted in the development of **9 INFRASTRUCTURE PROJECTS**

Improved working conditions for **800 VENDORS**



119 DIRECT JOBS for the people in the community



The projects include support to improving soya bean value chain and community market infrastructure to boost trade and market access for communities in Northern Uganda.



In 2020, LGEF was scaled up to four additional districts including Agago, Kole, Napak and Zombo. The programme supported the districts to undertake mapping and project identification based on their comparative advantages. The projects are assessed on their development impact as well as the ability to attract private sector interest to spur local economic development. LGEF aims to improve the capacity of local governments to design investible projects and enhance performance in public finance management and accountability.

CASE STUDY: Omoro District *Waneno Anyim Women's Group*



Using the first year LGEF allocation, Omoro district procured soya bean threshers and groundnut shellers. These were distributed to seven groups with a membership of 1,000 farmers (600 women). The purpose of distributing the equipment was to ease the process of manual work for the farmers as well as improve efficiency and quality of the final seed. In 2020, the groups reported having shelled over 165 tonnes of produce using the machines. They sold part of the produce for UGX 8,350,000 (€2,000).

Waneno Anyim Women's Group working with Omoro district, started and completed the construction of the store in Idodo village. Using savings realised after the procurement of the shelling and threshing equipment, group members raised UGX 13,000,000 (€3,095) in cash and kind by providing bricks, aggregate, sand, and labour for the construction.



30 direct jobs
for the group members
who provided casual labour

Eight skilled workers
were also employed by
the contractor.

With the completion of the store, the group expects they will cut off dealings with middlemen allowing them to fetch a premium price.

The project showcases an authentic example of active community participation.

WHAT DID WE LEARN?

The programme constantly works to capture lessons learned from the implemented activities. The following lessons were learned:

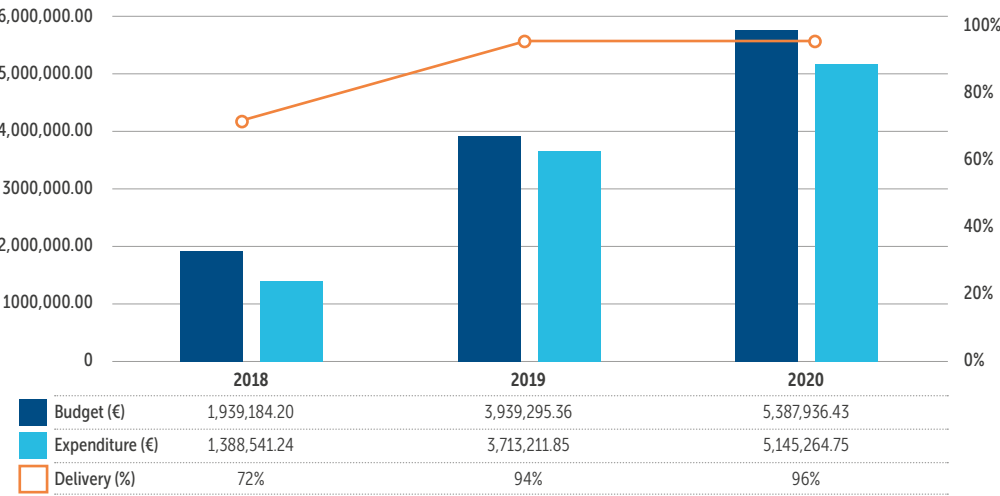
- Business development services support is a critical piece in improving SMEs' access to finance. Many businesses do not have the requisites to access external funding and need to go through a detailed process to fulfil the requirements. Business development services play a big role in building the capacity of SMEs to address gaps in major business operations such as registration, governance, financial management and record keeping. This was the motivation for designing a dedicated business development component to support SMEs through the different stages of the START process.
- Local governments are primarily responsible for implementing the infrastructure and road rehabilitation projects; however technical backstopping and continuous mentoring from the programme and the respective line ministries is essential to ensure high quality outputs.
- Digital innovations and tools are key to business continuity in emergency situations such as the COVID-19 pandemic. In 2020, work came to a standstill for many businesses and organisations alike with the lockdown restrictions to curb the spread of the virus. However, with the use of meeting applications like Zoom and Microsoft Teams, many were able to resume work through teleworking modalities. Local governments received Zoom licenses and computer equipment to facilitate their day-to-day operations during this time.
- The design consultant should always make detailed analysis of the scope of activities before tender documents are prepared and bids are called for. Realistic project durations for the execution of the projects should consider the natural occurrences like rainy seasons and other unplanned or emergency issues.

RESOURCES AND STRATEGIC INITIATIVES & PARTNERSHIPS

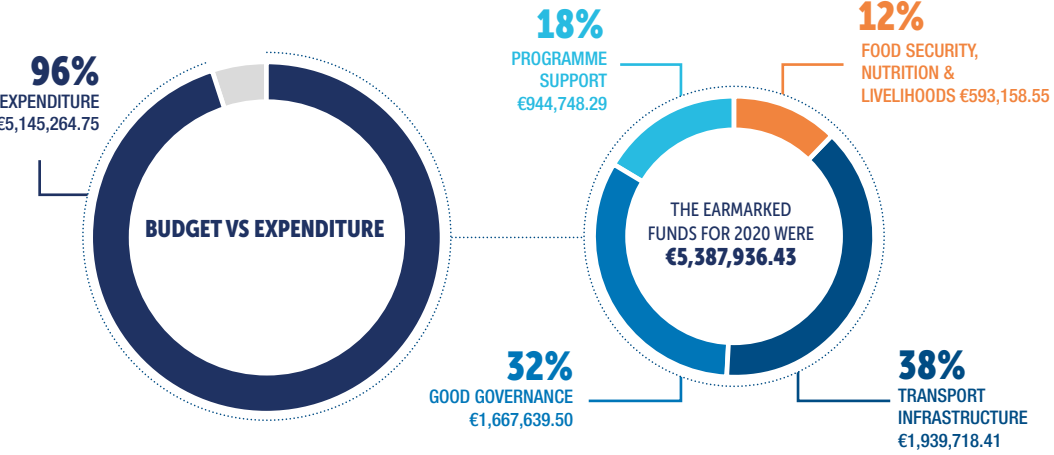
Finances 2020

The total programme budget is €25,852,174 for five years of implementation. The programme is funded by the European Union to a tune of €25,500,000 with a contribution of €352,174 from UNCDF.

FINANCIAL DELIVERY BY YEAR 2018 - 2020



2020 FINANCIAL PERFORMANCE



Strategic Partnerships and Initiatives

DINU-UNCDF partnered with Makerere University (College of Business and Management Sciences) to undertake a social economic assessment on the impact of COVID-19 on businesses in the formal sector and the capacity of local governments to continue delivering basic services to the population. The reports which were widely disseminated and received, provided recommendations for business enterprises and local governments on how to survive and recover during and after the pandemic.

- Uganda Business Impact Survey, 2020 <https://uncdf.link/UBIS>.
- Impact of COVID on Local Government Fiscal Space and Service Delivery <https://uncdf.link/UgLGs>

In 2020, DINU-UNCDF jointly organised the *Third Economic Mkutano* with DERO Capital, Programme on Integrated Local Finances for Sustainable Urban Development in the Greater Kampala Metropolitan Area (PIFUD) implemented by Kampala City Authority (KCCA), Cities Alliance and Stanbic Bank Uganda. The theme for the “*Financing Local Government Plans for Achieving NDP III and the SDGs*”. The dialogue was attended by over 600 participants who agreed on several undertakings and recommendations drafted into an aide memoir and endorsed by the Minister of Local Government.



“

I want this aide memoir converted into a policy paper for discussion in cabinet and implementation by government. The discussions from this Mkutano should result in increased local revenue for local governments”

– *Hon. Raphael Magyezi*

OUR PARTNERS



Business growth is our business

PRIVATE SECTOR FOUNDATION OF UGANDA (PSFU) is Uganda's apex body for the private sector. It is made up of over 200 business associations, corporate bodies, and the major public sector agencies that support private sector growth. Since its founding in 1995, PSFU has served as a focal point for private sector advocacy as well as capacity building and continues to sustain a positive policy dialogue with government on behalf of the private sector. PSFU aims to strengthen private sector capacity for effective policy advocacy and market competitiveness nationally, regionally, and internationally.



UGANDA DEVELOPMENT BANK LIMITED (UDBL) is a public enterprise wholly owned by the Government of Uganda and carrying on business as a Development Finance Institution (DFI). The bank, a successor company to Uganda Development Bank, was incorporated as a limited liability company and it is mandated to finance enterprises in key growth sectors of the economy. UDBL repositioned itself as a key partner to the Government of Uganda in delivering its National Development Plan (NDP). To deliver this aspiration, the bank focuses on the key growth sectors by financing development projects at attractive terms.



MINISTRY OF WORKS AND TRANSPORT exists to formulate policies, plans, set standards, build capacity, carry out advocacy, regulate, monitor, and evaluate the works and transport sector. The Ministry also provides policy and strategic guidance to parastatal bodies under its supervision namely, Uganda National Roads Authority (UNRA), Civil Aviation Authority (CAA), Standard Gauge Railway and Uganda Railways Corporation (URC). In regard to the Uganda Road Fund (URF), the ministry provides political and operational oversight in collaboration with the Ministry of Finance, Planning and Economic Development which is its parent ministry.



MINISTRY OF LOCAL GOVERNMENT is responsible for the implementation of the decentralisation policy. The ministry's mission is to coordinate and support local governments to provide efficient and sustainable services, improve the welfare of the people and eradicate poverty. With its mandate, the ministry guides, harmonises, mentors and advocates for all local governments in support of the vision of government to bring about socio-economic transformation of the country.



LOCAL GOVERNMENT FINANCE COMMISSION is an autonomous arm of government responsible for advising central and local governments on issues of fiscal decentralisation. The Commission is established under Article 194 of the 1995 Uganda Constitution and has been operational since February 1995.



UGANDA LOCAL GOVERNMENTS ASSOCIATION (ULGA) was formed to represent and advocate for the constitutional rights and interests of local governments and to act as the negotiating agency for its members.



URBAN AUTHORITIES ASSOCIATION OF UGANDA (UAAU) is an umbrella Association for urban authorities in Uganda. Founded in 1959 by the then four municipalities of Kampala, Jinja, Mbale and Masaka. With the advent of rapid urbanization mainly due to rural urban migration coupled with the set in of decentralization processes the Association now has as its members, 11 City Authorities; 25 City Divisions; 31 Municipalities, 587 Town Councils and 91 Municipal Divisions that constitute its membership.



OFFICE OF THE PRIME MINISTER (OPM) The Office of the Prime Minister (OPM) is mandated by Article 108A of the Constitution, to coordinate, monitor and evaluate the implementation of Government policies, programmes and priorities across Ministries, Departments and Agencies to ensure effective and efficient delivery of services to the people of Uganda. OPM's mission is to drive coherent, high quality and timely supply to Government, the Private Sector and Development Partners for efficient and effective service delivery.



UNITED NATIONS CAPITAL DEVELOPMENT FUND (UNCDF) makes public and private finance work for the poor in the world's 46 least developed countries. With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to SDG 1 on eradicating poverty and SDG 17 on the means of implementation.



EUROPEAN UNION (EU) is a political and economic union of 28 member states. The states decided to link together their know-how, resources, and destinies. Together, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance, and individual freedoms. The EU is committed to sharing its achievements and values with countries and peoples beyond its borders. In fact, over half of all development aid comes from the EU and its member states, making them collectively the world's largest aid donor. Most aid goes to low-income and least developed countries.



Unlocking Public and Private
Finance for the Poor



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