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UGANDA DISTRICT DEVELOPMENT PROJECT PILOT PHASE II

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EXECUTIVE SUMMARY

1. INTRODUCTION

This Mid Term Evaluation Report of the District Development Project Phase 2, is a culmination of fieldwork and consultations carried out in Kampala and five Pilot Project Districts (Arua, Yumbe, Jinja, Sironko and Kumi) by a four member interdisciplinary Evaluation Team from 9 August to 2 September 2004. The report covers the following main areas. After an introductory chapter that provides background and a summary of project status, the second section of the report looks at the project results and impacts by assessing the performance of the components' outputs in terms of planned targets, achievements and conclusions. The third section looks at the project preparation, design and relevance. The fourth section looks at the project implementation. The fifth section covers some critical issues. The sixth section addresses some of the lessons learnt and best practices. Section seven offers conclusions and recommendations.

2. FINDINGS

Performance of the Components

The MTE established that most planned targeted activities for the phase were in progress in the six core districts. All components have been implemented well by the component managers and have made real progress. This has occurred in spite of the fact that there were delays in funds disbursement from UNCDF as well as revisions downward by almost 50 percent of the original allocations. DDP 2 is being implemented differently from DDP 1. It comprises four different components implemented by central government departments as component managers preparing mechanisms for deepening local governance and decentralisation. DDP 2 is a capacity building programme without any sector outputs and therefore, unlike DDP 1, its implementation is not based on local governments. The main objective of DDP 2 is to kill two birds with one stone: pilot testing an approach and setting up mechanisms for replication and institutionalisation.

Each of the four components had between four and five outputs with clear targets to be achieved within the review period as well as indicators for its performance. These were assessed by the MTE Team and an assessment of overall performance is given with recommendations in the following format:

- Planned vs actual achievements to date (as per annual work plans/POP)
- Constraints
- Recommendations

Component 1: Coordinated Participatory Planning and Budgeting

The objective of this component is: *“to strengthen coordinated participatory planning and budgeting mechanisms for higher local governments and lower local councils”*. The MTE seeks, among other things, to assess whether the mechanisms being put in place under the CPPB are having the desired effect. The Ministry of Local Government (MOLG) through its Policy and Planning Division (PPD) was given mandate to manage this component. The evaluation addressed the extent to which the key outputs of this component have been achieved as well as identifying the emerging challenges and opportunities. The PPD has so far managed to meet some of the objectives of component that is comprised of five areas of focus namely:

- Harmonised Participatory Planning Guidelines (HPPG) tested, refined and implemented at LLG levels in pilot districts
- Capacity of Local Councils in strategic planning at district level enhanced
- Participation in Fiscal Decentralisation Strategy guideline preparation and testing supported
- Mechanism in place for vertical and horizontal communication, transparency, accountability and reporting in place.

Achievements to Date

- Equipment (vehicle and training equipment) has been purchased and delivered and is being used. Two HPPGs for Lower Local Councils have been completed i.e. one for sub-counties and another for parishes and wards. The revised HPPGs were disseminated to the DDP 2 districts for use during the 2003/2004 planning cycle as most districts were then preparing

their three-year development plans (2004/5 to 2006/7). The HPPGs were distributed to 6 pilot districts and their sub-counties through 6 workshops. Three monitoring visits were carried out in the six districts. The HPPGs have not therefore been really tested and refined under the DDP 2.

- Due to staff shortages, the PPD, the CPPB Component manager, sought the services of the LGFC to carry out the Budget Framework Papers analysis in early 2004. This was after realization that since this had much to do with Budgeting and the LGFC is the Chairperson of the Local Government Budget Committee, it was only logical for LGFC to carry out the task. However the critical policy framework linking planning, budgeting, and fiscal decentralization still lie with the PPD. In early 2004, a baseline survey was carried out by the LGFC and analysis is still being done. No meetings have yet been convened of the 6 LGs to discuss the findings from the survey. There are also discussions between MoFPED and LGFC so that the activity is closely linked with Output 3 on FDS participation.
- The output targets were achieved as FDS manuals and guidelines were reproduced and disseminated to the 6 pilot local governments. The output target was carried out by the LGFC as requested of the PP Division. Facilitators from LGFC facilitated the LG discussion on the FDS manuals and guidelines in the six DDP 2 districts.
- No activities to achieve establishment of regular stakeholder meetings with CSOs/CBOs and LLGs were carried or achieved to date. CSOs, CBOs and the Women Councils tend to be involved mainly at the Budget Framework Conferences.
- Out of the four planned monitoring visits in annual work plan, three were carried out with some in early 2004. Three monitoring and evaluation reports were prepared after the visits.
- Since HPPG and PDM projects are still being implemented, no firm review has been carried out and none is planned. Even in the districts concerned there are no specific discussions on the two projects progress and emerging lessons. There was no evidence of comparisons taking place or lessons being drawn during the implementation of DDP 2.

Constraints

- The major constraint to the implementation of this output is that it runs together with the HPPG testing and dissemination process under the MOLG by the same PPD. DDP 2 is only assisting an on-going process whose pace is not influenced by the DDP 2. Dissemination of the HPPGs countrywide will be done under LGDP 2. Copies of the HPPG have already been printed for the whole country. These will be distributed even before full testing under DDP 2. Results from the testing and refinement under DDP 2/CPPB will be disseminated under the LGDP 2 PTC meetings. There have been management changes during the first half of the implementation of the CPPB. The Policy and Planning Division (PPD) is not a Department and hence is understaffed.
- The Strategic Planning Enhancement output is complex needing requisite staff. There is however a realisation by the short-staffed PPD that the output is can best be carried out by the LGFC. There is also an observation by the Component Manager that there may be a strong case for including issues of strategic planning for this output. There is already concern expressed by LGFC officials that the LGs are still not clear about the linkage between District Development Plans (DDPs) and Budgets.
- The constraints to achievement Fiscal Decentralisation Strategy guideline preparation and testing also related to the shortages of personnel in the PPD. This led to the PPD requesting LGFC to carry out the output target on their behalf.
- The main reason given for failure to establish regular stakeholders meetings was the delayed funding for the component.
- The main constraint to achievement of monitoring visits is the shortage of staff and also delayed release of funds. Monitoring for this component relates largely to HPPG testing whose limited success impacts on the nature of monitoring and evaluation.

- On comparisons between the HPPG and Participatory Development Programme (PDM) under the UNDP, both projects are still being implemented, no firm review has been carried out and none is planned. Even in the districts concerned there are no specific discussions on the two projects progress and emerging lessons.

Recommendations

- It is therefore recommended that there be a more focused follow up/refinement of the modalities of implementing the HPPG at the Parish and village levels. The implementation of this output should also be decentralised to Planning Units of LGs with the Component managers supervising and documenting the process for replication. This can in the interim ease the staff shortage problems.
- The PPD and LGFC must come up with a policy paper linking the issues of strategic planning, budgeting and budget framework papers and fiscal decentralisation strategy focusing on poverty reduction objective and gender mainstreaming as a guide for output.
- The MTE recommends that FDS guideline preparation and testing support, and mechanisms for vertical and horizontal communication, transparency, accountability and reporting systems be transferred to the LGFC for implementation through direct training or specific studies. Again it is also recommended that the role of LGs be increased in effecting FDS linkages with budgets at the LL Councils.
- The PPD must place in their work plan processes of implementing output targets from output 4. There is need to also establish regular stakeholder meetings with CSOs and NGOs at lower local governments. It is recommended that implementation lessons and experiences be documented to help learning by management and feedback into policy. These lessons should be presented to biannual discussion meetings.
- More efforts should be put into documenting lessons during these monitoring and evaluation visits. The reports so produced should feed into policy and planning frameworks designed by the MOLG.
- The CPPB 2005 work plan should include plans to draw lessons from the two projects at the three different levels. A clear direction on how that can be achieved should be given by UNDP, UNCDF and the MOLG. The three together with PCU should prepare a work plan to achieve this important output.

Component 2: Local Revenue Enhancement (LRE)

The objective of this component is: *“to improve the mobilization and the generation of sustainable local revenue through enhanced capacity of Local Governments and their supporting institutions”*. The objective is to be achieved through assisting local governments to develop the knowledge to adapt and adopt best approaches for revenue enhancement. The Local Government Finance Commission (LGFC) was given mandate to manage this component. The evaluation addressed the extent to which the key outputs of this component have been achieved as well as identifying the emerging challenges and opportunities. The PPD has so far managed to meet all the targets of component for the plan period comprising of four areas of focus namely:

- Mechanisms established for enhanced policy exchange on local revenue generation and mobilisation
- Operational guidelines for efficient revenue collection systems produced, tested and introduced for use by HLGs and LLGs
- Local capacity enhanced for professional property assessment and tax collection
- Gender sensitive communication strategy for councillors, taxpayers and collectors designed and tested.
- Public and private sector partnerships for revenue mobilisation and generation enhancement.

Achievements to date

This component has achieved most of its outputs.

- The LGFC established a Local Revenue Enhancement Coordinating Committee as the local revenue enhancement task force for the purpose of improving the capacities of local governments to mobilize, generate and manage sustainable local revenue, to coordinate and support the development of a conducive policy environment for local revenue, and also enhance capacities of local governments to effectively and efficiently generate and manage local revenue on a sustainable basis.
- The LRECC has (a) compiled an inventory of best practices, developed best practices guidelines and disseminated both documents through regional workshops; (b) steered a study on rural taxation by EPRC; and (c) ensured that a baseline survey on LRE was carried out by a consultant.
- The project has developed four operational tools, namely, inventory of best practice, guidelines on implementing the inventory, cost benefit analysis guidelines and baseline survey report. The inventory of best practices identified legal issues that affect revenue enhancement and also produced a list of best practices in: sensitisation of tax payers; service delivery; accountability, transparency and internal controls, graduated tax; trade licensing; property taxes; markets and other sources of revenues; and privatising and tendering. Recommendations pertaining to each set of best practices were made so that LGs could adopt them where practicable.
- The guideline uses a step-by-step approach in describing how selected best practices could be implemented by a LG following a cost/benefit analysis that has established that the benefit from implementation of the guideline is likely to exceed the cost of its implementation. The guideline is open for progressive review by MOLG under LGDP-II. A cost benefit analysis guideline to assist local governments prioritise and select best practices for implementation given resource constraints is also being developed by LGFC. However, the implementation of the cost benefit analysis recommended in the guideline was observed to be prohibitive for a local government to undertake.
- In August 2003, Draft Guidelines on Implementing Best Practice in Revenue Mobilization and Generation was also prepared to guide LGs in their efforts at improving their local revenue management and collection, delivery of better services and reduction on dependence on external funding from Central government and donors.
- A baseline survey on revenue performance was also conducted in the 10 DDP2 districts and a report produced in April 2004. The baseline covered (i) local revenue sources and collection procedures, (ii) best practices in revenue collection identified by the district and (iii) the status of service delivery.
- On local capacity enhancement for professional assessment and tax collection, draft Guidelines were produced and their testing began in 10 DDP 2 districts. LGFC and MOLG agreed to integrate research activities under this output into the related activities under the LGDP 2. The LRECC will proceed to develop an incentive system to LR collection in the DDP 2 pilot local governments and to link best practices from DDP 2 and capacity building results (LGDP 2) through focused workshops in DDP 2 pilot LGs.
- Five members of the LRECC were sponsored by the project to participate in a study tour to Pretoria City. The purpose of the tour was to provide the members with experiences in financial management and property tax administration and management. The team identified property valuation, sales of water and electricity, waste management, local economic development, creating investment opportunity and local governments' supervisory role as good practices observed across the three municipalities of Tshwane Metropolitan, Mogale City Local Government and Bela Bela Local Municipality. Regarding property valuation, they noted that the mass valuation method, which is less costly, takes little time and is easy to implement, is used for property valuation. Data collectors are trained to collect data on the site values of properties based on the land on which the property is developed and the technical valuers use the data to calculate the values. Collection of property tax is also being privatised e.g. in Jinja. In some cases, lawyers are used to enforce tax compliance e.g. Arua MC.

- Related to the shortage of valuers, the rehabilitation of the School of Survey by ADB is being negotiated by government and LGFC.
- The output on gender sensitive communication strategy was in the POP targeted for implementation by December 2003 but due to delayed fund release, activity was shifted to first quarter of 2004 but still funds were not sufficient and the output was rescheduled to 2005. ULAA was correctly identified as an implementer by the project because it is a key player in advocacy and representing local governments in various forums and matters, particularly those concerned with local revenue mobilization, generation and management. Accordingly, the LGFC supported ULAA to facilitate exchange visits and round table discussions in 5 districts of the pilot districts where issues on revenue enhancement, collection and administration were discussed with local leaders including LC-V Chairman, CAO, RO, Accountants, Secretary for Finance and Chairman Finance Committee; ULAA has also been very instrumental in disseminating information on radios, TV and newspapers. A community of best practice is therefore being built through this process; recommendations from these activities are due to be published in the ULAA newsletter.

Constraints

- The Output has achieved most of its targets in trying to influence policy and increase dialogue. The LRECC has done a commendable job but one of the key concerns about it is its sustainability. It is now confronted by the specific issue of the proposed suspension of Graduated Tax from 2005 and the dichotomy between poverty and taxation and what balance should be adopted in a highly resource constrained economy. The activities are relevant to the attainment of the objectives of the output. However the environment is changing politically thereby requiring closer monitoring. The assumptions of strong interests in decentralisation are still valid but the immediate political objectives and environment require closer monitoring and specific action taken to reduce their impacts.
- Although the Ministry responsible for LGFC is the MOLG, there is no focal person in the Ministry on local revenue. However, the MTE got confirmation during the Debrief in Kampala that the MOLG are restructuring their departments with the concurrence of the Ministry of the Public Service for a Revenue Desk in the MOLG that will be manned by an Assistant Commissioner.
- The action plan of the LRECC is funded through DDP2 but the committee has had a persistent lack of funds. However, while LGDP-II has budgeted \$2.3m for this subcomponent, yet LGFC cannot access the LGDP-II funds. DFID is providing a Financial /Revenue Management Advisor within the Inspectorate under LGDP 2. The MTE understands that the Advisor will work closely with the Revenue Desk Assistant Commissioner.
- The LGFC has impressed upon the LGs to use the best practices in their Budget Framework Papers. In many cases, the LGs visited indicated that they did not have the necessary resources for implementing the work plans that they developed for implementing best practices. For instance, in Arua the LGFC provided UgSh12million for implementation of the district's LRE work plan but the district failed to raise the balance of UgSh63million. However, not all LLGs in the sampled pilot districts had been exposed to the best practice and guidelines due to limited resources. The cost benefit analysis recommended in the guideline was also observed to be prohibitive for individual local governments to undertake.
- The property tax bill, which would address some of these shortcomings, and enable rural LGs to collect property rates, remains pending in Parliament. Because of other urgent bills (e.g. review of the constitution, elections 2006, etc) it is likely that the Property Bill will not be passed before the end of the project in 2006/7. In the meantime, provisional property rates are being used by some LGs although proper valuation is difficult and not carried out as the CGV is difficult to access for valuation of properties in urban centres and the mushrooming trading centres in the country side. In some urban areas like Jinja Municipality, change in ownership from custodian board to individuals and between individuals without proper contact addresses makes it difficult to collect the taxes. In general, the property owners are not aware/keen/cooperating on paying property taxes because they do not understand the tax. On

the other hand, LGs complain that central government (and some of its institutions) does not pay property taxes on its buildings in the LGs and there is not much the LGs can do.

- The annual work plan output targets have not been specific on gender sensitivity of the communication strategy. The output has become generalised and therefore has tended to miss the output targets.
- It was planned that in December 2004 a program for initiating capacity building targeting CDA, revenue mobilisers, tax collectors, on best practices, revenue mobilization, recommendations and the use of an effective incentive system in revenue mobilization would be developed but the activity has been pushed to January 2005 because of delays in funds release. Nonetheless, training is expected to proceed in the first quarter of 2005. ULAA a key implementer of this output is constrained by lack of requisite resources, thus making it difficult to interact more closely with the districts on critical issues relating to local revenue planning and gender mainstreaming.

Recommendations

- The Best Practices need to be distributed to all relevant stakeholders and possibly in vernacular. This will require additional resources. These resources must therefore be accessed from the LGDP 2.
- In view of the proposed suspension of GT, LGFC needs to revise the best practices and guidelines earlier than end of 2006/7 as envisaged in LGDP2. The MOLG and its partners need to put in place measures to reduce impact of GT suspension on the functioning of Local Governments.
- DDP 2 should allocate resources to LGFC for developing prototype cost benefit analysis modules on various best practices for adoption by LGs.
- The LGFC needs to start considering revision of the Best Practices in line with suspended GT. The MTE understands this process has already begun. It needs to be speeded up during DDP 2.
- The LGFC and LRECC should examine laws that need to be revised in line with the Best Practices and to put up a work plan to address these laws. The laws governing LRE need to be revised.
- The LGFC and LRECC should revise the baseline report to fill some visible gaps so that comparisons can be made in the future including baseline information on a set of indicators highlighted above.
- For institutionalisation of the implementation of the best practices by LGs it is necessary to develop an appropriate indicator for inclusion in the national assessment of the performance of local governments.
- The LRECC should examine the laws governing professional bodies so that they become harmonized with their tax obligations including licensing at the local governments where they operate.
- The LRECC and MOLG LGs must put in place framework for the immediate involvement of women and youth councils as well as CSOs in revenue mobilization, generation and management in order to ensure greater impact and sustainability of LRE efforts of DDP 2.
- The promotion of the property tax bill in Parliament should be considered an output on its own by the LRECC, LGFC and MOLG. There is also need to prepare training materials which can be quickly revised after the Property Tax Bill is passed into an Act of Parliament. The LRECC must explore the possibility of using mass valuations.

- The communication strategy of MOLG needs to be customized to integrate a gender sensitive communication strategy for councillors, taxpayers and collectors. DDP 2 through discussions with Decentralisation Group should seek resources needed for ULAA to facilitate mobilise, sensitise and mentor LGs and communities for sustainable, gender-sensitive local revenue mobilisation.

Component 3: Gender Mainstreaming

The objective of this component is: *“to promote equitable participation of women and men in shaping development directions and choices as per the Constitution of 1995 and the Local Government Act 1997”*. The Ministry of Gender, Labour and Social Development (MOGLSD) was given mandate to manage this component while at the same time working closely with the Ministry of Local Government, key stakeholders (including donors, NGOs and CBOs). The evaluation addressed the extent to which the key outputs of this component have been achieved as well as identifying the emerging challenges and opportunities. The MOGLSD has so far managed to meet some of the objectives of component three which is comprised of four areas of focus namely:

- Enhancing the capacity of the MOGLSD to achieve a more coherent policy environment for gender mainstreaming
- Mainstreaming gender within local governments in the areas of planning, budgeting, implementation and monitoring and evaluation;
- Improving institutional mechanisms to support gender mainstreaming
- Enhancing local capacity of key actors in gender analysis and gender mainstreaming

Achievements to date

- Despite the limited human resources and delays in transmission of funds the MOGLSD has managed to meet most of its targets during this phase. At the national level, the MOGLSD has demonstrated its lead role in the formulation of policies on gender mainstreaming through the analysis of the National Action Plan for Women (NAPW) and the National Gender Policy (NGP) both of which have been used in the development of the national report for Beijing plus 10. This is in addition to forming the Uganda Gender forum whose mandate has been to provide guidance to the Ministry and its partners on gender mainstreaming in Uganda.
- The MOGLSD has undertaken trainings in all the districts for technical teams and women councillors. In particular 640 key actors from 115 LLGs have been trained. Resulting from these trainings 6 gender mainstreaming action plans have been developed. Specific training was also carried out for women's councils and women councillors on their mandated roles and responsibilities in leadership and advocacy. A total of 680 women leaders from the 6 districts were trained.
- Draft guidelines for mainstreaming gender for the parishes/wards have been developed and will be tested during the second phase of DDP II. At the district and central levels institutional capacity of the desk offices has been enhanced, through purchase of computer equipments as well as training of the respective officers in computer skills. A total of 18 officers from the field and 6 from the MOGLSD have undergone this training. Plans for engendering the local government budgets have already been put in place and the MOGLSD is in the process of identifying suitable consultants to undertake the gender budgeting training for the local governments. The MOGLSD through respective gender focal points has managed to engender 4 sector development plans.
- An inventory of existing gender mainstreaming guidelines, gender monitoring indicators and proxies has been developed. This inventory provides an opportunity for best practices, tools and methodologies to be mainstreamed into the guidelines for gender mainstreaming.

Constraints

- Currently, the greatest challenge facing the MOGLSD is that of limited human resources which has constrained its ability to effectively undertake and follow up on gender mainstreaming activities at the district level and likewise at the central level. The officers assisting in gender work in the field hold other portfolios and are overwhelmed with additional work which in turn diminishes their ability to fully concentrate on gender related

work. The same can be said of the gender focal points in the ministries. Further training for all staff may ease the work of the designated officers.

- Shortage and/or delay in transmission of funds has limited the number of trainings undertaken and many actors in sub-counties, divisions are yet to be trained. The increased demand for the services of the MOGLSD by the LLGs will require that in the long term additional funds are generated to enable them meet these requests
- The gender in development versus women in development approach (still dominant in some districts such as Jinja), makes it difficult to mainstream gender into planning processes. Further, the gender concept is not yet understood and internalised which can result in a mind block. The technical teams in Arua, Yumbe and Jinja stressed that despite the initial training it was not clear how to mainstream gender into planning processes. Hence the need for additional intensive/in-depth targeted training on how to mainstream gender in the guidelines on planning and budgeting
- Gender awareness and observing the 30% representation rule, does not always translate into gender responsive planning, hence the need for continuous and targeted follow-up. Involvement of women in budgeting processing is mainly during the budget conference. At the LCI planning processes it is not clear how their specific needs are weighed against those for community. No internal consultations with the gender officers in the district offices are held prior to the budgeting conference.
- Gender budgeting is neither understood nor practiced in the districts. Most programmes and sub county budgets equate gender with activities for women only and these are often placed together with those for youth, and people living with disabilities and vulnerable children. One reason for this could be that the gender budgeting training has yet to be carried out at both the central and district levels.
- Unavailability of sex disaggregated data to highlight existing gender inequalities and imbalance continues to be a major challenge and had been identified in the review of the DDP I. In addition, there is need for a gender impact assessment of the existing development plans to highlight the potential negative consequences that could be balanced against any potential positive gains in support of a correct course of action .

Recommendations

- The issue of limited human resource base within the Department of Gender, Culture and community (from central to district level) to handle gender mainstreaming activities will need to be addressed sooner than later if a number of the objectives are to be achieved. The Ministry is in dire need of additional Gender Specialists - as opposed to consultants - to assist in policy formulation and development of implementation strategies (for both the central and district levels). The viability of hiring local UNV Gender Specialists to undertake this task in the districts and MOGLSD should be considered.
- It is recommended that the MOGLSD through the auspices of the Uganda Gender Forum seeks ways of addressing the inadequacy of sex disaggregated data. Further development of a detailed monitoring and evaluation strategy to enable the MOGLSD to assess the implementation and impact of the recommendations of the NAPW and NGP, and extent of gender responsiveness of the local government's plans from planning to implementation, is recommended.
- Additional in-depth training and mentoring on gender analysis, gender sensitive project planning, budgets and development of gender responsive monitoring indicators for the planning units and technical teams is necessary. In-house gender awareness training is required for all staff in all the districts, the PCU and respective MOLG departments. An assessment of the impact of the trainings so far held, on development planning and budgeting is recommended and would be useful in charting out any follow up training.
- It is recommended that the MOGLSD assists the various departments and LGs in identifying their gender-related priorities and interventions, and women specific priorities. This would entail development of strategies that would not only build gender competence in the relevant

institutions, but also ensure that objectives, outputs, and activities are sensitive to gender equality and would meet the needs and priorities of both women and men and, minimise constraints to women's participation.

- A functional analysis of the role of Gender Focal Points (GFPs) in the ministries should be carried out with the view of identifying their roles and responsibilities, positions they hold and at what levels. The findings of this analysis would assist the MOGLSD in lobbying of the respective ministries to appoint GFPs from persons with higher policy making positions to enable them to effectively bring about the desired change.
- The Gender component of the Local Government Assessment manual must be reviewed to conform to the new gender training manuals, gender planning and budgeting guidelines as well conform to the recommendations of the NAPW and NGP reviews.
- Whereas equipment for the MOGLSD and the gender offices in the field have been purchased, it will be necessary to assess and identify additional needs, for example email facilities, additional computers etc. Every effort should be made to recover the equipment that has been appropriated by higher offices in the field and likewise the purchase of the vehicle for the MOGLSD should be completed.
- Considering that results of gender mainstreaming take a long time to be realised, the activities initiated under this component will require support after completion of DDP 2 making it important to begin at this stage considering how additional support can be rendered either at the central or district levels.

Component 4: Strengthening the Administration of Local Council Courts (LCC)

The objective of this component is: *To strengthen the administration of the Local Council Courts*. This component is premised on improving the performance of the Local Council Courts in the administration of local justice to not only influence the legitimacy of the LLG system but also promote good governance at the grassroots level.

Three areas of focus were identified to achieve the objectives of this component. These are:

- Local Council Court strengthening strategy developed and disseminated
- Operational guidelines for LCC proceedings developed, introduced and tested
- Capacity of LG for local justice delivery improved
- Community members sensitised on roles and responsibilities of Local Court System of local justice.

Achievements to date

- By mid-2004 the Local Council Court strengthening strategy was produced and translated into five local languages. The strategy formed the basis for the development of the trainer's manual and the operational guides for the LCCs. In addition, district based ToT have been held with 36 trainers already trained for this purpose.
- So far operational guidelines for LCC proceedings and record keeping, financial management are already developed in English and have been widely disseminated. 40,000 copies of the guides for LC Courts had been developed and distributed. The guides are user friendly and have been translated into 9 languages. However demand for translation into other languages has increased. In Arua, there was a request for the guidelines to be translated into Bakara which is the second most spoken language after Lugbara.
- The 36 trainers were charged with training the LCC personnel on the use of the guides. A constraint however is that the trainers are district based staff and have to balance their other work commitments with those of undertaking the training. For example in Arua the trainers were in the field for 4 months and were not able to cover all the 36 sub counties due to time constraints. This is in addition to the increasing demand for similar training from the municipality divisions for example Oli and Arua hill, Adumi, Olufe divisions.

Constraints

- The district trainers have other office duties which make it difficult to get time off to undertake the training
- The fines and registration fees are too low to enable raising of local revenue as well as meet the court facilitation costs
- Some of the courts still need to know their jurisdiction especially in civil and criminal cases. They also require copies of the Local Government Act, Constitution, Children's Act etc. The role and jurisdiction of LCCs in handling land cases remains unclear
- An effective assessment and monitoring tool is lacking to assist this process, therefore monitoring is ad hoc.
- Communities are still to fully grasp the importance of the LCCs as many still go to seek redress in the formal courts as a means of not adhering to the judgement of the LCC.
- Some courts are trying to deliver gender sensitive judgements, but lack of gender awareness and guidelines constrains them
- Court fines sometimes very high and arbitrarily awarded

Recommendations

- To fully have an impact on the administration of local justice, additional financial and human resources will be required to cover training, especially for the remaining sub-counties, dissemination, monitoring and evaluation as well as documenting best practices. Further, recruitment of more trainers is recommended. Funding can be sought from the Justice, Law and Order Sector (JLOS) group.
- Additional paralegal training and legal awareness is recommended for the LCC personnel and communities especially on basic laws and rights as well as enabling them to handle certain cases. Increased and or targeted gender awareness training for members of the LCCs at all levels ought to be part of this training. The operational guidelines should be translated into more local languages to facilitate the training.
- In collaboration with the Attorney General's office, a resident District Legal Officer should be hired to assist in the paralegal training and monitoring of the LCCs.
- For sustainability and given the high turn over especially during elections, the capacity building of the LCCs should be mainstreamed into the Local Government's capacity building strategy.
- The Judiciary should be involved in the monitoring and supervisory roles of the LCCs to ensure that proper procedures are followed in the handling of all cases. The proposed appointment of Magistrates at the sub-county level will go a long way to assist in monitoring of the LCCs. An effective monitoring and evaluation guideline should, however, be developed, implemented and disseminated. Monitoring and evaluation of the LCCs that are already using the guidelines ought to be undertaken within the next six months.
- So far the media campaign has generated a lot of interest and knowledge about the LCCs. This ideally should continue for another six months so as to increase awareness and sensitize people on the importance of the LCCs.
- A clear schedule for courts' registration fees and fines should be disseminated and the LCCs encouraged to adhere to it. The LCCs require proper storage facilities for their records etc. So far many of the records are kept in the homes. A suggestion from Vurra Sub-county (Arua District) to provide an office for the storage of Court records and use by the LCC 1-3, is one that should be encouraged in other sub-counties.

RECOMMENDATIONS OF THE MISSION MEMBERS

I. GENERAL RECOMMENDATIONS

i. Project documentation of lessons learned

The PCU must document more the lessons learned from DDP 2 to better feed into PTC meetings. There is also need for quarterly meetings of DDP 2 chaired by the Director focusing specifically on DDP 2 with the participation of Pilot Districts to inform the process. The Report from these meetings should then be included in the larger LGDP 2 PTC meetings with special emphasis on the lessons learnt for wider consumption and later replication in a kind of learning by doing process.

ii. Policy Decision on Up Scaling LRECC Outputs to LGDP 2

The PTC should bring to the attention of the Policy Steering Committee the issue of up scaling lessons on LRE from DDP 2 to LGDP 2 Component 4. One of the benefits from scaling up will be availability of funding for LGs to implement best practices guidelines and work plans.

MOLG needs to urgently set up the Revenue Desk in the Inspectorate Department of MOLG. The members of this Revenue Desk should be part of the LRECC committee for the purposes of ensuring that the advisory and operational concerns in revenue enhancement are closely followed up by MOLG.

Performance measures and annual assessment of local governments by MOLG need to be revised to include use of best practices and guidelines.

iii. UNCDF Capitalisation and Project Funding Options

UNCDF needs to clarify the funding issue to the partners with a view to, where necessary, seeking further co-funding from other donors in order to complete the piloting exercise. This should be done urgently by looking at all the possible options. Such commitment and efforts will require the continued active inputs of the Regional Technical Advisor and the National Programme Officer liaising with government, donors and local governments.

iv. Extension of DDP 2 completion date

DDP 2 should be given two annual planning cycles starting with the 2004/5 to be assessed in August/September 2005 before the following year planning and budgeting cycle of 2005/6. It is therefore recommended that the project be extended by one year to accommodate these needs.

v. Project Preparation, Design and Relevance

The project development objective should be recast as follows: “*The attainment of high quality of local governance institutions, systems, programmes and operations in local governments (higher local governments and lower local governments)*”. The Project Log Frame should be reviewed accordingly.

From DDP 2 experience so far, UNCDF should continue to go into phase 2 pilots when so demanded by the hosts and where UNCDF has the expertise and can find partners to pilot with. It is not advisable for UNCDF to leave a country after a successful phase 1 pilot as this is fraught with risks of unexpected challenges that could threaten the successes. Phase 2 pilots must necessarily be based on existing institutions in order to ensure sustainability of outputs. Phase 2 pilots must be based on explicit partnerships with other donors.

vi. Project Implementation

Documentation of lessons learned and their communication to LGDP 2 should be a focus of DDP 2 work through the remainder of the project implementation.

There is need for quarterly meetings of DDP 2 chaired by the Director focusing specifically on DDP 2 with the participation of Pilot Districts to inform the process. The Report from these meetings should then be included in the larger LGDP 2 PTC meetings with special emphasis on the lessons learnt for wider consumption and later replication in a kind of learning by doing process.

There is a need for the Component Managers under the PCU to come up with a Work Plan based on recommendations in this Report itemising the activities, time frame and costs and shortfalls based on

the approved budgets from UNCDF and balances from other donors. The Donor Sub Groups should then discuss on the particular aspects for possible support.

Whilst there are different donor groups following the different components, a more formal broader group chaired by the MOLG is a necessity to hold a quarterly meetings of partners to review pilots and lessons learnt with a view to mobilising resources for further required tasks.

LIST OF ABBREVIATIONS

ATC	Assistant Town Clerk
AWP	Annual Work Plan
BFP	Budget Framework Paper
CAO	Chief Administration Officer
CDA	Community Development Assistant
CDO	Community Development Officer
CDSD	Community Development Services Department
CFO	Chief Finance Officer
CIG	Common Interest Group
CPPB	Coordinated Participatory Planning and Budgeting
CWC	Caucus of Women Councillors
D/CAO	Deputy Chief Administrative Officer
DANIDA	Danish International Development Agency
DDHS	Director of District Health Services
DDP 1	District Development Project Phase 1
DDP 2	District Development Project Phase 2
DEC	District Executive Committee
DfID	Department for International Development
FGDs	Focus Group Discussions
FDS	Fiscal Decentralisation Strategy
GAD	Gender and Development
GF	Gender Forum
GFP	Gender Focal Point
GM	Gender Mainstreaming
GMTF	Gender Mainstreaming Task Force
GT	Graduated Tax
GOU	Government of Uganda
HLG	Higher Local Government
HPPG	Harmonised Participatory Planning Guidelines
IC	Investment Committee
IFMS	Integrated Financial Management System
IPF	Indicative Planning Figures
JLOS	Justice Law and Order Sector
JWIDF	Japan Women in Development Fund
LC 1	Local Council level one Village/Cell
LC 2	Local Council level two Parish/Ward
LC 3	Local Council level three Sub County/Division
LC 4	Local Council level four County/ Municipality
LC 5	Local Council level five District Council/City
LCC	Local Council Court
LFW	Logical Framework
LGBC	Local Government Budget Committee
LGDP 1	Local Government Development Program Phase 1
LGDP 2	Local Government Development Program Phase 2
LG	Local Government
LGA	Local Government Act
LGFC	Local Government Finance Commission
LGROC	Local Government Releases and Operations Committee
LLG	Lower Local Government
LOGFIAS	Local Government Information Analysis System
LRE	Local Revenue Enhancement
LRECC	Local Revenue Enhancement Coordinating Committee
MAAIF	Ministry of Agriculture, Agriculture Industry and Forestry

MIS	Management Information System
MOFPED	Ministry of Finance, Planning and Economic Development
MOGLSD	Ministry of Gender, Labour and Social Development
MOJCA	Ministry of Justice and Constitutional Affairs
MOLG	Ministry of Local Government
MOPS	Ministry of the Public Service
MTE	Mid-Term Evaluation
MTEF	Mid-term Expenditure Framework
NPO	National Program Officer
PAF	Poverty Action Fund
PC	Parish Chief
PCU	Program Coordination Unit
PDC	Parish Development Committee
PDM	Participatory Development Management
PMU	Program Management Unit
POP	Plan of Operation
PRSC	Poverty Reduction Support Credit
PS	Permanent Secretary
PSC	Policy Steering Committee
PTA	Parents Teachers Association
PTC	Project Technical Committee
PU	Planning Unit
RDC	Resident District Commissioner
SC	Sub-County
SCC	Sub-County Chief
SNV	Netherlands Development Organisation
SWAP	Sector-Wide Approach
TPC	Technical Planning Committee
UAAU	Association of Urban Local Authorities of Uganda
UGF	Uganda Gender Forum
ULAA	Uganda Local Authorities Association
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Program
UNV	United Nations Volunteers
URA	Uganda Revenue Authority
VHT	Village Health Team
WB	World Bank
WC	Women's Council
WID	Women in Development
WSC	Water Source Committee

PROJECT DATA SHEET

UGANDA DISTRICT DEVELOPMENT PROJECT PILOT PHASE II

COUNTRY:	UGANDA
FULL PROJECT NUMBER:	UGA/01/C01
PROJECT TITLE:	DISTRICT DEVELOPMENT PROJECT PILOT PHASE II
SECTOR:	DEVELOPMENT STRATEGIES, POLICIES & PLANNING (0210)
SUB-SECTOR:	LOCAL GOVERNANCE
EXECUTING AGENCY:	MINISTRY OF LOCAL GOVERNMENT (PCU)
IMPLEMENTING AGENCIES:	IMPLEMENTING AGENCIES: LGFC, MOGLSD, MOLG (Local Council Department) Local Governments (Districts) (A) Core: Arua, Kabale, Yumbe, Kayunga, Jinja & Mukono (B) Non Core: Local Revenue Enhancement – Sironko, Kumi, Ntungamo and Budibugyo
FUNDING AGENCIES:	UNCDF, DANIDA, JAPAN WOMEN IN DEVELOPMENT FUND, DFID, UNDP & Government of Uganda
PROJECT COSTS: Total	US\$ 4,000,000
UNCDF	US \$ 3,000,000
DFID	US \$ 300,000
DANIDA	US \$ 220,000 + 80,000
UNDP (Trust Fund)	US \$ 100,000
JWIDF	US \$ 300,000
Government of Uganda (GoU)	In Kind
PROJECT APPROVAL DATE:	SEPTEMBER 2002
PROJECT START DATE:	OCTOBER 2002
COMPLETION DATE:	DECEMBER 2005
TYPE OF EVALUATION:	MID-TERM
EVALUATION DATE:	AUGUST 2004

INTRODUCTION TO THE EVALUATION

1. The Objective of the Mid Term Evaluation

The purpose of the Mid Term Evaluation (MTE) of the District Development Project Phase 2 is to provide a strategic review of project performance to date, through assessing the overall progress (or lack thereof) in delivering project outputs as compared with the Work Plans. The evaluation provides space for gauging the likelihood of the project achieving its immediate and development objectives, as well as helping project management and stakeholders to identify and understand challenges faced so as to formulate appropriate responsive strategies for the remaining duration of the project. Further, this evaluation provides stakeholders with an external, objective view on the project status, relevance, validity of the original project rationale for UNCDF piloting in new focus areas and indications on how effectively it has been managed and implemented. The Evaluation also assesses the extent to which the broader policy environment remains conducive to replication of the lessons emanating from project implementation. The MTE Team assessed progress and challenges in the four project components of Coordinated Participatory Planning and Budgeting (CPPB), Local Revenue Enhancement (LRE), Gender Mainstreaming (GM), and Strengthening the Administration of Local Council Courts (LCC).

2. Composition of the Evaluation Team

The MTE team comprised four members: Ramson Mbetu, Local Government Specialist and Team Leader, Janet Kabeberi-Macharia, Gender and Local Council Courts (LCC) Specialist, Romano Adupa, Local Government Specialist, and Alex Jurua, Local Government Advisor. Mr. James Omoding National Programme Officer, UNCDF Kampala, and Mr. Christopher Ebau of the Programme Coordination Unit, Ministry of Local Government also accompanied the Team¹.

3. The Methodology Used and Schedule of Activities Carried Out

The UNCDF MTE Team was in Uganda from Monday 9th August to 2nd September 2004 to assess the progress of the District Development Project Phase 2. The MTE Team visited five districts in the following order: Arua, Yumbe, Jinja, Sironko and Kumi. The first three are from the core group of districts, continuing from DDP 1, whilst the last two are special districts where only the LRE component is being implemented. The Team also covered Arua and Jinja Municipalities. The Evaluation process began with a briefing by officials of the Ministry of Local Government (MOLG), the Program Coordination Unit (PCU) and Component managers as well as members from the Donor community. This was followed by a two-week field visit to the three core districts of Arua, Yumbe and Jinja. In the non-core

¹ The MTE Team would like to express their gratitude to the Permanent Secretary (PS) of the Ministry of Local Government, Mr. V. Ssekono; the PS for Ministry of Gender, Labour and Social Development, Mr. Ralph Ochan; The Principal Judge, Justice James Ogoola, Justice Yorokamu Bamwine, and Justice Opio Aweri Ruby; the Programme Coordinating Unit; Mr. Raphael Magezi the General Secretary of ULAA; staff from Ministry of Local Government, Ministry of Finance, Ministry of Gender, Labour and Social Development; the Chairpersons of the Local Governments in the Districts, Members of the Executive, the CAOs and their Deputies, the Mayors, Deputy Mayors, Deputy Town Clerks, the Technical Planning Committee Members at both HLGs and LLGs. We would also like to extend appreciation to the sub county chiefs, Chairpersons LC 3 and divisions and the respective parish and village executives and the general public who attended our discussion sessions. Lastly we would like to extend a lot of thanks to the donor community, JLOS, Donor Group on Decentralisation, on Gender, and in particular to UNDP. We would like to express our sincere thanks for the excellent logistical arrangements to Mr. James Omoding, Ms Jolly Tumwebaze and Richard in the UNCDF Uganda office.

districts of Sironko and Kumi the team focused on Local Revenue Enhancement (LRE). Field activities included extensive discussions with the Higher Local Governments executives and Technical Planning Committees (TPC), review of documents before proceeding to villages, parishes and sub-counties where discussions were held with TPC, Investment Committees (IC), Parish Development Committees (PDC), Parish Chiefs (PC) and village councilors and their LC 1 executives. The list of people met is attached as Annex 1, while schedules of interviews in Kampala are attached as Annexes 4 and 5. The Team discussed with District Executives in each HLG as well as the TPC. In Arua District, three sub-counties were visited from each of which a parish and village were selected for in-depth interviews and discussions. In Arua Municipality, two Divisions were visited as well as a ward and cell. In Yumbe, the Team visited one village and the sub-county but unfortunately could not get to the parish due to time constraints and poor communication. In both Sironko and Kumi discussions were held with a sub-county and the TPC.

The Evaluation team noted that district stakeholders were generally apprehensive about its presence in their areas, something attributed to suspicion that the MTE mission was the Local Government Assessment Team. The same pattern was repeated in Jinja. The MTE notes that they were unable to meet the DDP 2 Project Coordinator, who unfortunately was away on business. The Team was also unable to get the full range of documentation on project work plan and progress reports.

4. The structure of the report.

This MTE Report has three sections and seven chapters. After this introduction Chapter 1 looks at the background and status of the project. Chapter 2 covers the Project results and potential impact. The third Chapter assesses project preparation, design and relevance. Chapter Four looks at project implementation issues, assessing input delivery, project management and systems performance. Chapter five addresses some critical issues related to sustainability and institutionalisation, operational capacity of government, UNCDF, UNDP as well as partnerships and coordination roles. Chapter six draws lessons of experience and best practices. The final Chapter seven draws conclusions and key recommendations.

CHAPTER ONE: **BACKGROUND AND PROJECT STATUS**

1.1 Country and sector background

Uganda is one of the few African countries that has made steady economic progress over a decade based largely on its stable political and social environment and clear policies on main aspects of the economy. Uganda has a population of 24.8 million with over 75 percent in rural areas. Uganda has put in place decentralisation policies, supported by the Constitution and Local Government Statutes giving over responsibilities to local governments to plan and implement their development with requisite resources largely transferred as conditional, non-conditional and equalisation grants. Local Governments (LGs), both Higher Local Governments (HLG) and Lower Local Governments (LLG) also collect their own revenues. These revenues constitute between 2 to 5 percent for most District Councils. Central government ministries are generally left with policy guidance and standards setting and monitoring.

The Local Government structure has five tiers, ranging from the LC 1 or the village council with its executive of 9 to the LC 5 that is the District Council with its Chairperson and Executive Committee. The Municipalities are composed of LC 1 – LC 4 headed by a mayor, Executives, Councillors and Technical teams. LC2 is the Parish Council with an administrator, the Parish Chief, the Sub-County Council is the LC 3, commonly referred to as the Lower Local Government.

Table 1: Local Governance Structures

Levels and Category	Elective/Political Structure	Administrative Structure	Judicial Structure	Autonomous Civil Society Organisations
Central	Parliament, and Parliamentary Committees	Cabinet, Ministries, Civil Servants	Chief Justice, Judges and Magistrates	ULAA/UAAU
District/ LC 5	District Council	Chief Administrative Officer and Technical Planning Committee	Chief Magistrates	NGOs, Farmer Associations
County/ LC 4 Municipal	(Non-functional in district) Municipality Mayor	(Non functional in District) Town Clerk and Technical Planning Committee		
Sub County LC 3	LC 3 Chairperson and Executive and Sub County Councillors/ Divisions	Sub County Chief and Technical Planning Committee and Investment Committee	LC 3 Court	Farmer Forums
Parish LC 2/ Ward	Parish Council (Representatives from Village Councils)	Parish Chief Parish Development Committee	LC 2 Court	
Village LC 1	Village Chairmen and Executive Village Council of all residents above 18 years of age	Water Source Committee, Village Health Team, Road Committee, Parents Teachers Association, Security Committee	LC 1 Court	Common Interest Groups, Farmer Groups,

Source: MTE Compiled

The Government's Policy framework is premised on three critical areas: Fiscal policy, decentralisation and fiscal decentralisation¹. Government fiscal policy is based on maintaining macro economic stability by matching public expenditure with available resources, allocating additional resources to Poverty Eradication Action Plan areas (PEAP), reducing dependence on external resources through increasing the revenue base in a sustainable manner. Decentralisation policy principles and objectives are based on devolution of powers, functions and service delivery to all levels of local government by enhancing good governance and democratic participation. The centre retains the responsibility for national policy formulation, setting standards, supervision, offering technical advice and guidance. Fiscal decentralisation is based on the Fiscal Decentralisation Strategy (FDS) which is designed to streamline resource transfer modalities to LGs without constraining the service delivery functions devolved to them in terms of the Constitutionally determined grants of conditional, unconditional and equalisation grants.

There are in Uganda other initiatives with a bearing on the DDP 2. The World Bank, supported by a number of donors is implementing a larger Local Government Development Project Phase 2 (LGDP 2). The LGDP 2 is closely linked to the DDP 2 as some outputs from the latter are due for replication under that programme. It is also implemented under the MOLG and PCU. DFID is already involved in the Decentralisation Support Programme (DSP) with MOLG and other central government institutions such as LGFC and ULAA. DANIDA is also involved support to Local Development and Decentralisation focusing on capacity building, working with MOLG and within the LGDP 2 framework. USAID is also involved with the Strengthening Decentralisation in Uganda project in a pilot covering 6 districts focusing on capacity building of elected officials and representatives of civil society. Other bilateral agencies are also involved with district development projects e.g. Netherlands Government (RNE), Ireland Aid, Belgium, IFAD and Austria. The European Union (EU) is embarking on a 9th Micro Projects Programme that has impact on decentralisation strengthening.

1.2 Project background

DDP 2 is a follow-up project to the successful DDP 1 that was concluded in 2001 and up-scaled in LGDP 1. UNCDF's track record in piloting mechanisms for deepening decentralisation was widely recognised by the GOU and partners, hence the request and subsequent support by the GOU and other donor agencies for piloting four areas for replication. The four new areas are Coordinated Participatory Planning and Budgeting (CPPB), Local Revenue Enhancement (LRE), Gender Mainstreaming (GM), and Strengthening the Administration of Local Council Courts (LCC). Thus the DDP 2 had specific piloting role for the four components with two of them (CPPB and LRE) specifically targeted for up scaling under the LGDP 2 which was started in 2002. Support by other donors is reflected in the co-funding of some components by DfID, DANIDA, UNDP and Japan Women in Development Fund (JWIDF). A number of donor sub-groups have followed closely the progress of DDP 2 with a view to up-scaling, support and integration into policy discussions with government and among themselves.

1.3 The pre-project situation

The 1995 Uganda Constitution and the Local Governments Act of 1997 cemented the legal framework for the decentralisation process. The DDP 1 was a process that sought to enhance local government systems and procedures, regulations and laws that would further entrench the implementation and effectiveness of the local decentralisation policy. DDP 2 was a follow up to the very successful DDP 1. A review of the existing situation through the Project Concept Paper showed specific areas that needed further attention.

¹ Local Government Development Project Phase 2 Document May 2003

1.4 The origin and evolution of the project

The Mid-Term Evaluation of the DDP 1 recommended some key issues that DDP 1 had not been able to cover. These included local revenue declines in the local governments, issues of gender mainstreaming, limited resource flows from UNCDF, and new issues such as the administration of justice in poverty reduction. These outstanding issues prompted a new approach. The DDP 2 Project Concept Paper of 2001 raised concern in five specific areas namely participatory planning and budgeting, financial management and audit, local revenue declines, under LGs, gender mainstreaming and issues of local justice. The GOU requested UNCDF to consider a follow up to the DDP1 in order to deepen/strengthen decentralisation.

1.5 The project rationale

The real impact of deepening decentralisation and good governance as highlighted in the Project Concept Paper include – reducing poverty – starts with (a) the poor taking part in decisions that affect them, (b) timely justice delivery to avoid continued disadvantages, (c) self sustaining local governments with resources to deliver better services, and, (d) transparent and accountable local governments.

In addition to addressing these strategic areas of concern, the DDP 2 also had a strategy for policy impact, replication and partnerships. It was the specific intention of the DDP 2 to contribute to policy debate in the areas of:

- Coordinated planning and budgeting
- The Fiscal Decentralisation Strategy clarifying the roles of the National Planning Authority as well as the effectiveness of the HPPG;
- On Local Revenue Enhancement, to further the policy debate on graduated tax, the decentralisation of property tax, roles and responsibilities of valuers, roles and responsibilities for revenue mobilisation at all levels;
- On gender mainstreaming, to integrate gender policy in all aspects of planning and budgeting processes from LC 1 TO LC 5, and strengthen the capacity of the gender focal points in the different ministerial departments;
- On local council courts, to inform policy on local justice with its attendant linkages to the whole justice system, higher court system and their effectiveness.

It was expected in the Project Document that the partnership between DfID and DANIDA in funding DDP 2 would offer examples for further partnerships.

1.6 The substantive approach

The DDP 2 substantive approach involves assisting national level institutions putting in place frameworks and processes for better local governance, service delivery and poverty reduction. These frameworks and processes are then pilot tested in the core districts where UNCDF was involved through DDP 1. The logic is that lessons learned from the pilot should be replicated for three of the Components in the larger LGDP 2. There is no funding for infrastructure under the DDP 2 unlike the DDP 1. Funding is channelled to component managers and not local governments.

1.7 The Overall Goal

UNCDF's overall project goal is poverty eradication as illustrated in Figure 1. This goal is based on the underlying assumption that the causes and effects of poverty are influenced by participation in decision-making, and control over, and equitable distribution of resources.

1.8 The Development Objective/Project Purpose

The project purpose or development objective of the DDP 2 is to improve access to basic

social services and infrastructure and the quality of public services in line with the UNCDF generic Log Frame. In practice however, the project development objective is reflected as the “attainment of high quality of local governance institutions, systems, programmes and operations in local governments (higher local governments and lower local governments).”

1.9 Outputs

Instead of three related outputs i.e. Policy Outputs, Sector Outputs and Institutional Outputs, the DDP 2 had specifically Institutional Outputs and limited Policy Outputs as indicated in Tables 2 and 3. There were no sector outputs for this project, unlike the traditional (Phase I) UNCDF projects. The Institutional Outputs were in general to improve LG performance, facilitate people’s participation, and promote PPP. The Institutional Outputs were divided into four Components each with its own set of sub outputs and activities. The policy outputs were generalised into policy, legal and regulatory frameworks for decentralisation. Tables 2 and 3 summarise in matrix form the Institutional and Policy Outputs in DDP 2 by component. This MTE assesses actual versus planned project achievements by Component and output.

Table 2: Institutional Outputs

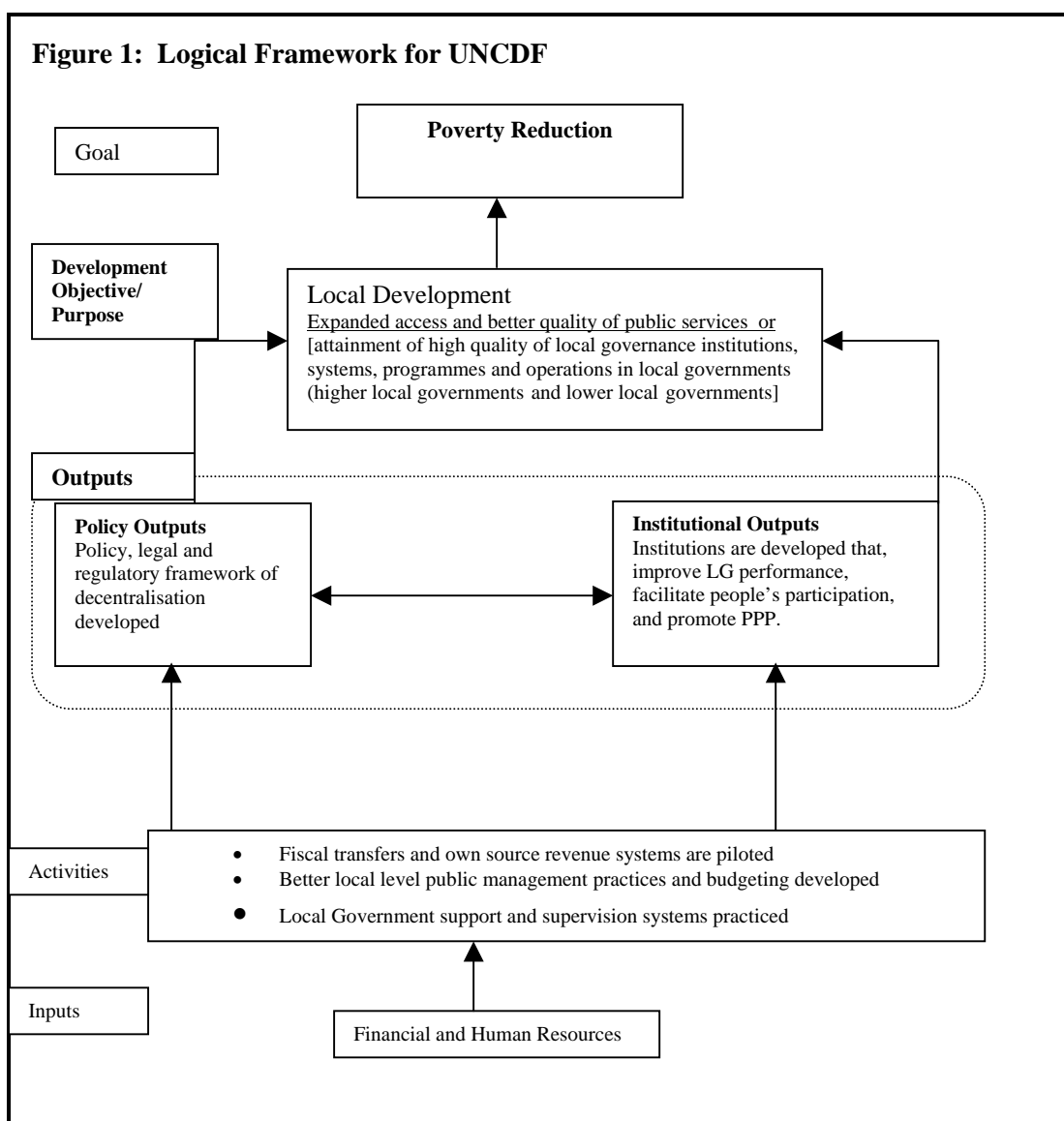
Component	Institutional Outputs		
	Improve Local Governments Performance	Facilitate People’s Participation	Promote Public Private Partnership
Coordinated Participatory Planning and Budgeting	1. Harmonised Participatory Planning Guidelines tested, refined and implemented in pilot districts. 2. Capacity of Local Councils in strategic planning at district level enhanced 3. Participation in Fiscal Decentralisation Strategy guideline preparation and testing supported 4. Mechanisms for vertical and horizontal communication, transparency, accountability and reporting in place	1. Harmonised Participatory Planning Guidelines tested, refined and implemented in pilot districts. 2. Mechanisms for vertical and horizontal communication, transparency, accountability and reporting in place	
Local Revenue Enhancement	1. Operational Guidelines for efficient revenue collection systems produced, tested and introduced for use by HLGs and LLGs. 2. Local capacity enhanced for professional property assessment and tax collection	Gender Sensitive communication strategy for councillors, taxpayers and collectors designed and implemented.	Public and private sector partnerships for revenue mobilisation and generation enhanced
Gender Mainstreaming	1. Gender mainstreamed in local governments in areas of planning, budgeting, implementation and monitoring and evaluation 2. Local capacity of key actors in gender analysis and gender mainstreaming increased	Gender mainstreaming as an output is related to facilitation of people’s participation	
Local Council Courts	1. Operational guidelines for LCC proceedings introduced and disseminated 2. Capacity of Local Governments for local justice improved.	Community members sensitised on roles and responsibilities of LC system of local justice.	

Table 3: Policy, Legal and Regulatory Framework Outputs from DDP 2

Component	Policy Outputs		
	Policy	Legal	Regulatory
CPPB			
LRE	Enhanced policy exchange on local revenue generation and mobilisation	Assist Property Tax Bill passing*	
Gender Mainstreaming	Coherent policy environment for gender mainstreaming through enhanced capacity of MOGLSD		Institutional mechanisms to support gender mainstreaming
LCC		Assist LLC Bill passing*	Local council court strengthening strategy developed and disseminated

*Bills before Parliament critical for the effectiveness of DDP 2 outputs but not specifically stated as Outputs in project document.

Source: MTE Synthesis from the Project Document and the Generic UNCDF Log Frame



Source: Generic Logical Framework For UNCDF adapted for MTE analysis but not specifically in ProDoc.

1.10 Content and current status of implementation

The DDP 2 is basically an institution capacity building programme aimed at institutionalising the capacity building process within the GoU. The four components of the DDP 2 reflect the institutionalisation process as the four component managers have the core business to set standards of service delivery by local governments. The DDP 2 purpose is to assist them in setting appropriate frameworks for sustainable service delivery. The four components, CPPB, LRE, GM, and LCC, have this basic commonality. The link is really in that they are aimed at improving local governance and thereby contributing to poverty reduction, and that they widen the DDP 1/LGDP 1 process to areas not currently covered, or that require deepening.

Secondly, the management of the DDP 2 has moved away from the Project Management Unit being responsible for managing the project as in DDP 1 to a PCU responsible for coordinating the programme that is practically implemented by Component Managers in the different departments of government or quasi government structures for institutionalisation and sustainability. The Component management is as follows:

- CPPB is under the Policy and Planning Division (PPD) in the MOLG;
- LRE is under the Local Government Finance Commission (LGFC);
- GM is under the MOGLSD
- LCC in under the Commissioner for Local Councils Development (LCD) in MOLG

The project focus is to enhance the mechanisms, processes, procedures and systems in the four component areas for Higher Local Governments (HLGs) and Lower Local Governments (LLGs) in the six core districts of Arua, Kabale, Jinja, Mukono, Yumbe and Kayunga and only in LRE component for the non-core districts of Kumi, Sironko, Ntungamo and Budibugyo.

Implementation is in progress by Component at central levels as well as in all ten districts with various degrees of effectiveness between the components. The activities and progress made within each component are elucidated in Chapter 2. All components have been affected by the delayed disbursement of funds and the downward budget revisions on resources from UNCDF. DFID and UNDP have disbursed all their funds. DANIDA and JWIDF have also disbursed most of their funding.

1.11 Project inputs

Annex 6 illustrates the Indicative Planning Figures for the project from UNCDF and other donor partners in funding the activities. There are seven categories for resources divided over the four years of project implementation. Much of the work of the LRE Component was scheduled to peak in 2003-4 and wind down in 2005 with very limited work then. Since there have been delays in implementation for this component with 2004 allocations only arriving in August 2004, there is a logic in rolling over to 2005 some of the main 2004 work. LCC work terminates in 2004, but much programme effort for 2005 remains for CPPB and Gender Mainstreaming.

1.12 Implementation arrangements

There has been a shift in the implementation arrangements between DDP 1 and DDP 2. DDP 2 is an institution capacity building project that does not provide funds for the delivery of social or economic infrastructure. Central-level institutions instead of the PCU are implementing DDP 2. These central institutions have the mandate to carry out these functions. The project is capacitating them in their functions. These central-level agencies have roles to develop the capacity of local governments in delivering services to their constituents.

The Project Document specifies implementation by Component Managers in four specific areas:

- Studies and document production to inform practice,
- Training of Local Governments using outputs from the studies and documentation,
- Conferences and meetings to share experiences
- Expanding lessons to wider audiences.

These four activities are implemented in the core pilot project districts for all components and in four non-core districts for the LRE component. The logic of DDP 2 is that lessons will be drawn from piloting activities in these districts and these are shared among the pilots before being replicated throughout the country by the central agencies whose responsibility is to direct policy and standards.

Seventy five per cent of the project budget is funded by UNCDF. Funds are disbursed through the UNDP office in Kampala. UNDP in turn disburses to the PCU which disburses to the Component Managers on the basis of an Annual Work Plan. Funds for the CPPB and LCC components are managed by the PCU/MOLG and payments are made directly from the PCU.

UNDP contributions are channelled through the Ministry of Finance, Planning and Economic Development.

Procurement for the project follows the standard practice used under the PCU which follows World Bank Procurement procedures for procurement of services for consultants to carry out specific studies. These procedures are elaborate covering tendering procedures, advertisements, expressions of interests, opening tenders, National and International Competitive Bidding and adjudication, technical appraisals etc. Equipment has tended to be procured through UNCDF using UNDP rules that are considered faster than the other procedures.

1.13 Costs and financing, including co-funding and cost sharing resources

The total budget for DDP 2 is US\$ 4.05 million over four years. Of this US\$ 1 million (25 %) is contributed by co-funding partners and the balance of US\$ 3 million (75%) is UNCDF contribution over the four years of DDP 2. The US\$300,000 from DFID was disbursed in 2002. Table 4 illustrates the indicative figures given in the Project Document.

Table 4: Budget for DDP 2

Intermediate Objective Areas	Indicative UNCDF Planning Figure	Indicative Planning Co-Funding Figures
CPPB	650,000	
LRE	1,000,000	DFID: 300,000 DANIDA: 220,000 +80,000
GM	300,000	JWIDF: 300,000
LCC	340,000	UNDP Trust Fund: 100,000
UNCDF Mission Costs	500,000	
Programme Support to Institutions	260,000	
Government of Uganda in Kind		
TOTAL	3,050,000	1,000,000

Source: ProDoc

The 2004 disbursements were made in August due to Atlas delays.). However, the total disbursements as illustrated in Table 6 reflect only the 2003 figures. UNCDF has disbursed less than 20 percent of its budget commitment in the Project Document.

1.14 Plan of operations

DDP 2 had a clearly laid out Plan of Operations (POP) covering three years for three of the components: CPPB, LRE and Gender Mainstreaming and a two-year work plan for the Strengthening the Administration of Local Council Courts component. This evaluation is using the annual work plan which was itself moulded on the plan of operation as a basis for its assessment of actual versus planned output achievement.

1.15 Arrangements for monitoring and evaluation (M&E)

The purpose of Monitoring and Evaluation in pilot projects is very critical as the outputs of the M&E feed into the learning process and for replication. M&E also ensures accountability of produced outputs, and local capacity enhanced for monitoring. A system of reporting is in place based on the DDP 2 Logical Framework, Plan of Operation (POP) and the Annual Work Plans (AWP). UNCDF introduced a management information system that can help track progress through output indicators for each output in order to ascertain real progress or lack of progress in each component. Monthly meetings of Component Managers, the PCU and UNCDF to discuss progress and challenges are held. Every quarter a Project Technical Committee meets rotationally in different project districts where progress is discussed. There are specific fora identified under each component for sharing lessons.

CHAPTER TWO

PROJECT RESULTS AND POTENTIAL IMPACT

2.1 Introduction

Chapter 2 presents project results of each component based on the outputs: what was been planned to date, what has been achieved, with what results. It also analyses the assumptions made, their relevance and whether there is still enabling environment for the future. The evaluation discusses the internal and external factors that have affected the attainment of the results and the immediate objectives. Recommendations are also covered in Chapter 7 Each section covers the following main areas:

- Objective and inputs of Component
- Assessment of actual versus planned achievements
 - Planned output targets to date
 - Output indicators
 - Achievements to date
 - Constraints
 - Conclusions
 - Recommendations

2.2 Component 1: Coordinated Participatory Planning and Budgeting (CPPB)

Objectives and Inputs

The objective of this component is: “*to strengthen coordinated participatory planning and budgeting mechanisms for higher local governments and lower local councils*”. The MTE seeks, among other things, to assess whether the mechanisms being put in place under the CPPB are having the desired effect. The CPPB was allocated US\$650,000 over the three years. The component has five outputs and 11 activities contributing to five outcomes. As at the beginning of the MTE, 17 percent of the total allocation had been disbursed and four out of eleven activities had been carried out.

2.2.1 Output 1: Harmonized Participatory Planning Guidelines (HPPG) tested, refined and implemented

Output Targets to date

The expected outcome of this output was enhanced community participation in development planning and budgeting. The output was intended to achieve a number of targets:

- (a) To capacitate the Component Management by procuring equipment of one 4x4 pick-up vehicle and appropriate training equipment and materials for the PPD in the MOLG.
- (b) The Training of Trainers (ToT) for HLG and LLG technical staff,
- (c) Dissemination of the refined HPPGs to the 6 pilot districts through workshops
- (d) Facilitation of the planning process through the preparation of district work plans of the pilot districts for 91 LLGs, and
- (e) Monitoring and evaluation of activities.

Output Indicators

The output indicators included procurement of equipment, the number of trainers trained, number of district work plans prepared, and number of M&E visits undertaken.

Achievements to date

A pick up double cabin vehicle has been procured directly by UNCDF. The vehicle is located in the PPU of the MOLG and supports harmonised participatory planning and budgeting guidelines activities especially at sub-county level. Three pieces of training equipment (LCD Projector, Overhead Projector, and portable generator) have been procured for the PPU. Two HPPGs for Lower Local Councils have been completed i.e. one for sub-counties and another for parishes and wards. The revised HPPGs were disseminated to the DDP 2 districts for use during the 2003/2004 planning cycle as most districts were then preparing their three-year development plans (2004/5 to 2006/7). The HPPGs were distributed to 6 pilot districts and their sub-counties through 6 workshops. However, very few copies reached the sub counties let alone the parishes. The ToT and retooling of CDO/CDAs has not been undertaken yet due to lack of funds. Some retooling of CDOs/CDAs has not been fully implemented except for the activity carried out in the three districts of Arua, Yumbe and Mukono under the gender mainstreaming component. 91 lower local governments have been assisted in planning process though carried out with limited resources. The generic Training Manuals for Lower Local Government (LLGs) in development planning have been completed. HLGs visited during the mission have completed their Three Year Rolling Development Plans and Budget Framework Papers. The MTE saw Development Plans from the Divisions and Sub-Counties in Arua District and Municipality, Jinja Municipality and Jinja District. The dissemination of HPPG has had some positive impact on planning in the local governments as well as the lower local councils. Three monitoring visits were carried out in the six districts.

Constraints

The major constraint to the implementation of this output is that it runs together with the HPPG testing and dissemination process under the MOLG by the same PPD. DDP 2 is only assisting an on-going process whose pace is not influenced by the DDP 2. Dissemination of the HPPGs countrywide will be done under LGDP 2. Copies of the HPPG have already been printed for the whole country. These will be distributed even before full testing under DDP 2. Results from the testing and refinement under DDP 2/CPPB will be disseminated under the LGDP 2 PTC meetings. There have been management changes during the first half of the implementation of the CPPB. The Policy and Planning Division (PPD) is not a Department and hence is understaffed.

Conclusions

There has been limited testing of the HPPG in the pilot districts. No lessons have yet been documented and therefore shared. The output is still relevant but needs to be clarified especially in relation to the HPPG testing refining and dissemination under the MOLG. The process and timing of both are still unclear. The delayed retooling of CDOs/CDAs has also had a negative impact on the planning process at the sub-county level. Refinement under this output is still essential followed by documentation of the lessons learnt. The staffing shortages within the PPD persist and have to be addressed for greater effectiveness. This output lends itself to being effectively implemented through the Planning Units at the Local Governments' levels. It is critical that lessons from the testing and refinement of the HPPGs be captured and documented by the PCU and disseminated effectively by the PPD and MOLG within the PTC framework. The intricate practicalities of the HPPG process itself still need to be fully tested and documented at the LLG level. The output is still relevant and achievable with concerted efforts by the Component managers and implementation of the recommendations below.

Recommendations

It is therefore recommended that there be a more focused follow up/refinement of the modalities of implementing the HPPG at the Parish and village levels. The implementation of this output should also be decentralised to Planning Units of LGs with the Component managers supervising and documenting the process for replication. This can in the interim ease the staff shortage problems in the PPD.

2.2.2 Output 2: Strategic planning capacity of local governments enhanced

Output Targets

The output targets included preparation of budget framework papers (LGBFP) for the district stakeholder meetings as well as the holding of District and LLGs meetings on refining and interpreting LLGs plans into District Plans.

Output Indicators

One output indicator is the number of budget framework papers prepared and approved by the Local Government Budget Committee on first submission. Another output indicator would also be the number of meetings held to refine and interpret LLGs plans.

Achievements

The LGs prepared their Budget Framework Papers. Due to staff shortages, the PPD, the CPPB Component manager, sought the services of the LGFC to carry out the Budget Framework Papers analysis in early 2004. This was after realisation that since this had much to do with Budgeting and the LGFC is the Chairperson of the Local Government Budget Committee, it was only logical for LGFC to carry out the task. However the critical policy framework linking planning, budgeting, and fiscal decentralisation still lie with the PPD. In early 2004, a baseline survey was carried out by the LGFC and analysis is still being done. No meetings have yet been convened of the 6 LGs to discuss the findings from the survey. There are also discussions between MoFPED and LGFC so that the activity is closely linked with Output 3 on FDS participation.

Constraints

The output is complex needing requisite staff. There is however a realisation by the short-staffed PPD that the output is can best be carried out by the LGFC. There is also an observation by the Component Manager that there may be a strong case for including issues of strategic planning for this output. There is already concern expressed by LGFC officials that the LGs are still not clear about the linkage between District Development Plans (DDPs) and Budgets.

Conclusions

There is no clarity on the linkages between some key components of the output such as the strategic planning fiscal decentralisation and budgeting framework papers. This output is still very relevant as absence of enhanced strategic planning capacity of LGs had a direct bearing on the CPPB as a component. The environment for implementing the output is still conducive as LGs have functioning Planning Units with requisite staff and capacity.

Recommendations

The PPD and LGFC must come up with a policy paper linking the issues of strategic planning, budgeting and budget framework papers and fiscal decentralisation strategy focusing on poverty reduction objective and gender mainstreaming as a guide for output.

2.2.3 Output 3: Fiscal Decentralization Strategy implementation modalities facilitated for 6 pilot LGs

Output Targets

The outcome expected of output 3 is enhanced linkage between policy and resource allocation. The output targets included conducting of relevant meetings as well as dissemination of relevant reproduced FDS resource materials to the pilot districts.

Output Indicators

The output indicators included the number of meetings held as well as number of districts with FDS resource materials.

Achievements

The output targets were achieved as FDS manuals and guidelines were reproduced and disseminated to the 6 pilot local governments. The output target was carried out by the LGFC as requested of the PP Division. Facilitators from LGFC facilitated the LG discussion on the FDS manuals and guidelines in the six DDP 2 districts.

Constraints

The constraints to achievement of this output also related to the shortages of personnel in the PPD. This led to the PPD requesting LGFC to carry out the output target on their behalf.

Conclusions

There is still need for further review of the FDS manuals and guidelines based on implementation feedback. This activity is related to the promotion of the policy framework for fiscal decentralisation and local budgeting. The PPD is still the ideal department but staff shortages limit PPD capacity. Practically the output target should ideally be moved from the PPD to LGFC as they have better competence for carrying it out. Resources should also be transferred to them. However the LGFC needs to work closely with the PPD.

Recommendations

The MTE recommends that FDS guideline preparation and testing support, and mechanisms for vertical and horizontal communication, transparency, accountability and reporting systems be transferred to the LGFC for implementation through direct training or specific studies. Again it is also recommended that the role of LGs be increased in effecting FDS linkages with budgets at the LL Councils.

2.2.4 Output 4: Mechanisms for vertical and horizontal communication, transparency, accountability and reporting in place

Output Targets

The intended outcome from this output is the effective participation of all stakeholders in planning and budgeting decision-making. Three output targets were expected.

- (a) Facilitate initiation and institutionalisation of round table discussions in LLGs
- (b) Support bi-annual national level discussions to disseminate implementation lessons and experiences
- (c) Establish regular stakeholders meetings with CSO/NGOs and LLGs to coordinate planning processes.

Output Indicators

The output indicators included 91 LLGs round table discussions, two meetings a year to discuss and disseminate lessons learnt as well as regular stakeholder meetings of LLGs.

Achievements to date

No activities to achieve the three output targets of this output were carried or achieved to date.

Constraints

The main reason given was the delayed funding for the component. CSOs, CBOs and the Women Councils tend to be involved mainly at the Budget Framework Conferences.

Conclusions

The objective of the output was to achieve effective decision-making and participation of all stakeholders in planning and budgeting basically intended to deepen the process that was started under DDP 1 through assisting the dissemination of the HPPG and budgeting processes. It is a critical a critical component in CPPB and in the DDP 2. The delays in funding are regretted but this target output should be carried out. The environment is still conducive particularly under the LGDP 2 where lessons from the pilot districts can yield a wealth of experience for the future.

Recommendations

The PPD must place in their work plan processes of implementing output targets from output 4. There is need to also establish regular stakeholder meetings with CSOs and NGOs at lower local governments.

It is recommended that implementation lessons and experiences be documented to help learning by management and feedback into policy. These lessons should be presented to biannual discussion meetings.

2.2.5 Output 5: Monitoring and Evaluation of Component 1 outputs and activities carried out

Output Targets

Four monitoring and evaluation visits were planned to the local governments with reports expected to be prepared from the visits.

Output Indicators

Reports from the monitoring visits were to be prepared after each visit to indicate effective oversight of programme implementation.

Achievements

Out of the four planned monitoring visits in annual work plan , three were carried out with some in early 2004. Three monitoring and evaluation reports were prepared after the visits.

Constraints

The main constraints to achievement of monitoring visits are the shortage of staff and delayed release of funds. Monitoring for this component relates largely to HPPG testing whose limited success impacts on the nature of monitoring and evaluation.

Conclusions

The component needs more focused effort in documentation of lessons learnt and experiences. These visits need to be linked to impacts on policy framework as well.

Recommendations

More efforts should be put into documenting lessons during these monitoring and evaluation visits. The reports so produced should feed into policy and planning frameworks designed by the MOLG.

2.2.6 Comparative analysis of the Participatory Development Management (PDM) and HPPG

Output Target

The Project Document indicated that there should be comparisons between the DDP 2's HPPG and the UNDP's Participatory Development Management (PDM) programme being implemented in Arua Municipality and Jinja District Council areas. As much as UGsh 9 million is available for PDM in River Oli Division in Arua Municipality.

Output Indicators

A document on experiences from both HPPG and PDM for comparison of experiences and sharing best practices to enhance HPPG.

Achievements

Since both projects are still being implemented, no firm review has been carried out and none is planned. Even in the districts concerned there are no specific discussions on the two projects progress and emerging lessons. There was no evidence of comparisons taking place or lessons being drawn during the implementation of DDP 2.

Constraints

The output did not have a specific output indicator and no output targets. There are three levels of possible collaboration. The first is the level of the MOLG within the PPD who are responsible for both projects. The second is between UNDP and UNCDF as the two operate under the Resident Representative of UNDP. The third is the level of the Local Governments where both HPPG and PDM are implemented. There are no specific efforts at collaboration at any of the three levels.

Conclusions

There is evidence that the two programmes, HPPG testing, refinement and dissemination and PDM can yield useful lessons for the decentralisation programme in Uganda through the DDP 2 and these lessons can be useful for the LGDP 2 as well as they touch fundamental planning issues at the grassroots level. There have not been specific outputs in the Project Document on how this comparison between the two could be done. There is a conducive environment for collaboration among all three levels. What is required is a clear direction on how that can be achieved. The experiences shared at the LG level can also be shared at PTC meetings

Recommendations

The 2005 work plan should include plans to draw lessons from the two projects at the three different levels. A clear direction on how that can be achieved should be given by UNDP,

UNCDF and the MOLG. The three together with PCU should prepare a work plan to achieve this important output.

2.3 Component 2: Local Revenue Enhancement

Objectives and Inputs

The objective of this component is: *“to improve the mobilization and the generation of sustainable local revenue through enhanced capacity of Local Governments and their supporting institutions”*. The objective is to be achieved through assisting local governments to develop the knowledge to adapt and adopt best approaches for revenue enhancement. DDP 2 is to work closely with MOLG and LGFC to implement some of the key widely accepted and agreed upon recommendations already studied. In the project document, a total of \$1,600,000 was allocated for this component with 62.5% from UNCDF; DFID and DANIDA were each to fund 19%. The total amount disbursed to date for this component at midterm stands at \$578,924 (36%). The untimely flow of financial resources to the implementers by the project has been cited as a persistent problem. This Component was to be managed by the LGFC. The LGFC was correctly identified as the implementing agency for the LRE because it is mandated by under the Constitution (1995) and the Local Government Finance Commission Act (2003) to advise the President on various issues including (a) matters concerning distribution of revenue between the Government and local governments (b) amounts and allocation of equalization and conditional grants to Local Governments (c) potential sources of revenue for LGs (d) central government taxes that can be collected by LGs in their respective jurisdictions on an agency basis. The LGFC is required through the Act of Parliament, at least once every 12 months, to submit a report on its performance to Parliament through the MOLG with a copy to the President.

2.3.1 Output 1: Mechanisms established for enhanced policy exchange on local revenue generation and mobilization

Output Targets

There are three output targets/activities for this output:

- (a) Establishment of a Local Revenue Enhancement Task Force under the direction of the LGFC
- (b) Supporting the task force to create dialogue and provide support to policy impact initiatives for local revenue mobilisation as identified through best practices inventory, action research and analysis of issues and actions.
- (c) Documenting the process and procedures to inform policy and legal framework.

Output Indicators

The output indicators are the establishment of and functioning of LRE Task Force, meeting and discussing issues for policy dialogue and documenting/inventorying of best practices and processes to inform policy and the legal framework. The LRECC, chaired by the LGFC, has members from Line Ministries (MOLG, MOFPED, MOWLE), other government institutions (LGFC, URA, Attorney/Solicitor General), Local Governments (Kampala City Council, Bushenyi District Local Government), Local Government associations (ULAA/UAAU) and donor representation (UNCDF). The Commissioner Inspectorate and the Coordinator, PCU represent the MOLG.

Achievements to date

The LGFC established a Local Revenue Enhancement Coordinating Committee as the local revenue enhancement task force for the purpose of improving the capacities of local governments to mobilize, generate and manage sustainable local revenue, to coordinate and

support the development of a conducive policy environment for local revenue, and also enhance capacities of local governments to effectively and efficiently generate and manage local revenue on a sustainable basis. The LRECC meets monthly and in 2003 had 12 meetings and 15 sub-committee meetings. 5 LRECC and 2 sub-committee meetings were held between January and June 2004 in addition to a retreat held in 2002. The LRECC has (a) compiled an inventory of best practices, developed best practices guidelines and disseminated both documents through regional workshops; (b) steered a study on rural taxation by EPRC; and (c) ensured that a baseline survey on LRE was carried out by a consultant. Two members of the committee were also facilitated to attend a course at the University of Pretoria on property tax for local governments.

The LRECC has been very active in coordinating central institutions, facilitating policy debate and enhancing capacities of LGs to raise more local revenues by encouraging them to implement best practices. Currently, an annual report of the LRECC is being compiled; the report will document the activities and contribution of the LGFC to policies and implementation strategies in local revenue enhancement for up scaling.

The LGFC has also conducted two regional workshops on local government revenue enhancement in Jan/Feb 2003 and February 2004. The first workshop informed the compilation of the inventory of best practices in local revenue enhancement while the second workshop (i) provided feedback on the inventory of best practices and draft guidelines and also reviewed implementation of the best practices work plan developed by each LG; (ii) encouraged the integration of revenue enhancement into district development processes (iii) provided feedback from central government on issues identified earlier (iv) promoted sharing of lessons and challenges by LGs in enhancing local revenues (v) informed LGDP-II on key issues for integration in its Component 4: Local Revenue Enhancement. As a result of the regional workshops, political support for local revenue enhancement is increasing as LG task forces headed by politicians are being established.

In terms of capacity building, members of the LRECC (LGFC, UAAU, MOWLE, CGV, MOFPED) were supported to participate in a study tour to Tanzania and Kenya to exchange experience on fiscal decentralization and learn on how LGs in the two countries have coped with the abolition of direct personal taxes. This was most relevant considering that the future of graduated tax in this country is in the balance. Also, in view of the pending property tax bill, in March 2004, five members of the LRECC were also supported to participate in a study tour to Pretoria City, South Africa in order to equip its members with experiences in financial management and property tax administration and management.

Through the LRECC the LGFC has also coordinated the activities of major donor driven projects on local revenue (e.g. SDU, SNV, EPRC, UPPAP, and Deregulation Project) for replication and policy up-take. Thus, the LRECC has worked closely with partners and communicated the findings and recommendations from projects such as:

- a) Strengthening Decentralization in Uganda (SDU) Project that is piloting a non-computerized card system for recording and controlling graduated tax registration and assessment in Luwero, Mbarara, Kabale and Nakasongola districts; it is also working on tendering and privatization of markets in Tororo districts.
- b) Streamlined licensing system that is being piloted in Entebbe MC; the piloting has already indicated that the average time required to obtain a trading licence can be reduced from 2 days to 20 minutes and revenue realized from licensing increased by 40%! Accordingly, the pilot is being rolled out to 3 additional districts of Tororo, Lira and Mbarara in 2004/5.
- c) Strengthening graduated tax in local governments of Mubende and Rakai districts that is funded by DANIDA.

Constraints

Although the Ministry responsible for LGFC is MOLG, there is no focal person in the Ministry on local revenue. However, the MTE got confirmation during the Debrief in Kampala that the MOLG are restructuring their departments with the concurrence of the Ministry of the Public Service for a Revenue Desk in the Ministry which will be manned by an Assistant Commissioner.

The action plan of the LRECC is funded through DDP2 but the committee has had a persistent lack of funds. However, while LGDP-II has budgeted \$2.3m for this subcomponent, yet LGFC cannot access the LGDP-II funds. DFID is providing a Financial /Revenue Management Advisor within the Inspectorate under LGDP 2. The MTE understands that the Advisor will work closely with the Revenue Desk Assistant Commissioner.

Conclusions

The Output has achieved most of its targets in trying to influence policy and increase dialogue. The LRECC has done a commendable job but one of the key concerns about it is its sustainability. It is now confronted by the specific issue of the proposed suspension of Graduated Tax from 2005 and the dichotomy between poverty and taxation and what balance should be adopted in a highly resource constrained economy. The activities are relevant to the attainment of the objectives of the output. However the environment is changing politically thereby requiring closer monitoring. The assumptions of strong interests in decentralisation are still valid but the immediate political objectives and environment require closer monitoring and specific action taken to reduce their impacts.

Recommendations

Most of the targets for this output have been achieved by the project. However the following recommendations are specifically for a next phase and are therefore largely directed at the MOLG and its LGDP 2.

The Best Practices need to be distributed to all relevant stakeholders and possibly in vernacular. This will require additional resources. These resources must therefore be accessed from the LGDP 2.

In view of the proposed suspension of GT, LGFC needs to revise the best practices and guidelines earlier than end of 2006/7 as envisaged in LGDP2.

DDP 2 should allocate resources to LGFC for developing prototype cost benefit analysis modules on various best practices for adoption by LGs.

The MOLG and its partners need to put in place measures to reduce impact of GT suspension on the functioning of Local Governments.

2.3.2 Output 2: Operational guidelines for efficient revenue collection systems produced, tested and introduced for use by HLGs and LLGs

Output Targets

The output targets/activities planned to date were as follows:

- (a) Conduct a best practices inventory and baseline survey of current revenue collection procedures/practices/and operations
- (b) From the IOBP and Baseline survey, devise and test improved and simplified guidelines and mechanisms in selected districts through disseminated IOBP and

guidelines, pilot district sensitisation, and support to pilot districts in work plan implementation.

Output Indicators

An inventory of best practices for local revenue enhancement established and disseminated, updated on a regular basis and accessible for MOLG, LGFC and other policy key players with guidelines addressing key issues of fiscal collection performance with emphasis on graduated and property tax, and gender; number of pilot districts where these were tested. The simplified guidelines and mechanisms produced and tested in selected districts in work plan implementation.

Achievements to date

The project has developed four operational tools, namely, inventory of best practice, guidelines on implementing the inventory, cost benefit analysis guidelines and baseline survey report. The inventory of best practices identified legal issues that affect revenue enhancement and also produced a list of best practices in: sensitisation of tax payers; service delivery; accountability, transparency and internal controls, graduated tax; trade licensing; property taxes; markets and other sources of revenues; and privatising and tendering. Recommendations pertaining to each set of best practices were made so that LGs could adopt them where practicable.

The guideline uses a step-by-step approach in describing how selected best practices could be implemented by a LG following a cost/benefit analysis that has established that the benefit from implementation of the guideline is likely to exceed the cost of its implementation. The guideline is open for progressive review by MOLG under LGDP-II. A cost benefit analysis guideline to assist local governments prioritise and select best practices for implementation given resource constraints is also being developed by LGFC. However, the implementation of the cost benefit analysis recommended in the guideline was observed to be prohibitive for a local government to undertake.

In August 2003, Draft Guidelines on Implementing Best Practice in Revenue Mobilization and Generation was also prepared to guide LGs in their efforts at improving their local revenue management and collection, delivery of better services and reduction on dependence on external funding from Central government and donors.

A baseline survey on revenue performance was also conducted in the 10 DDP2 districts and a report produced in April 2004. The baseline covered (i) local revenue sources and collection procedures, (ii) best practices in revenue collection identified by the district and (iii) the status of service delivery.

A total of 1,500 copies of the IOBP and guidelines were printed and distributed to all districts and municipalities and town councils and at least one sub-county of every district. The regional workshops held in February 2004 were attended by Chairpersons LC5, CAO, CFOs, one sub-county chief per district; mayors/Chairpersons LCIII, Town clerks and Treasurers of Municipalities and Urban councils; LGFC. MOLG, MOFPED, MoJ, MOWLE, URA, KCC (LRECC), UPPAP, EPRC, SDU, BPRU, UNCDF, EU, SNV, ULAA and UAAU. During the regional workshops, the LGs were assisted to develop work plans for implementing best practices. LGFC accordingly provided UgSh143mas part funding to the 10 pilot districts.

Table 5 shows the three best practices identified by HLGs in the sample districts. Thus, out of the five HLGs in the sampled districts, four proposed to embark on Computerization of Tax registers and local revenue while three opted for Publicizing names/follow up of defaulters;

Broadening tax base *viz bodaboda*, royalties and ground rent were selected by 3 HLGs while 2 HLGs planned to privatise revenue collection.

In each of the 10 pilot districts, sensitisation workshops were also held with technical district staff and all sub-county chiefs and chairpersons.

Table 5: Summary of 3 Best practices in the work plans of 5 HLGs in Sampled Districts

Arua Municipality	Jinja Municipal Council	Jinja District	Kumi	Sironko
<ul style="list-style-type: none"> ◆ Tax register development ◆ Capacity building through recruitment and training of staff ◆ Formation of Boda boda 	<ul style="list-style-type: none"> ◆ Computerizing Local Revenue ◆ Privatised revenue sources ◆ Continue with sensitisation of taxpayers 	<ul style="list-style-type: none"> ◆ Raise revenue from payment of royalties ◆ Computerize taxpayer registers ◆ Collect ground rent 	<ul style="list-style-type: none"> ◆ Publicize names of defaulters ◆ Privatised revenue collection ◆ Computerize taxpayer registers 	<ul style="list-style-type: none"> ◆ Publicize names of defaulters ◆ Use courts of law for defaulters ◆ Widening tax base

Source: MTE compilation from Field Visits and Work Plans of LGs

Constraints

The LGFC has impressed upon the LGs to use the best practices in their Budget Framework Papers. In many cases, the LGs visited indicated that they did not have the necessary resources for implementing the work plans that they developed for implementing best practices. For instance, in Arua the LGFC provided UgSh12million for implementation of the district's LRE work plan but the district failed to raise the balance of UgSh63million. However, not all LLGs in the sampled pilot districts had been exposed to the best practice and guidelines due to limited resources. The cost benefit analysis recommended in the guideline was also observed to be prohibitive for individual local governments to undertake.

Conclusions

Since the Best Practices focused a lot on GT, it is a major challenge of their relevance if GT is to be suspended from July 2005 for ten years. About 40% of the content of the Best Practices and Guidelines is on GT. If GT is to be suspended for ten years with effect from next year as hinted by the President, it implies that 40% of these documents will become redundant. Revision was planned for under LGDP 2 during 2006/7 financial year. The inventory of Best Practices and Guidelines offer new opportunities and challenges for LGs to visualize and aggressively embark on innovatively generating revenue from sources other than GT. But these options have to be nurtured.

The implementation of best practices requires that some laws be addressed. It has been observed that some obsolete laws are constraining the implementation of the inventory of best practices (e.g. property rating law, the market act, the Town and Country Planning Act). Besides, many LG officials have limited knowledge of the legal framework governing LRE.

The baseline report contains gaps that need to be filled for the purpose of making comparisons in future. For instance, there is no data on Budibugyo district nor is the incentive system covered for all the 9 districts in the report. There was no information on property tax for the 9 districts as well. Performance Indicators for monitoring and evaluating revenue performance in local governments during the implementation of best practices were identified as:

- Growth in total revenue – the increase in total revenue before and after piloting the best practices

- Growth for each local revenue over time in relation to population growth (per tax payer)
- Proportion of actual collection to revenue potential
- Compliance rate for each source of revenue
- Percentage of local revenue in providing services
- Increased number of taxpayers in the district tax registers
- Effectiveness of the revenue administration
- Efficiency of the revenue administration – the proportion of the tax collected which is used up in cost of collection/administration

However, there is no information on each of these indicators in the report.

Recommendations

The LGFC needs to start considering revision of the Best Practices in line with suspended GT. The MTE understands this process has already begun. It needs to be speeded up during DDP 2.

The LGFC and LRECC should examine laws that need to be revised in line with the Best Practices and to put up a work plan to address these laws. The laws governing LRE need to be revised.

The LGFC and LRECC should revise the baseline report to fill some visible gaps so that comparisons can be made in the future including baseline information on a set of indicators highlighted above.

For institutionalisation of the implementation of the best practices by LGs it is necessary to develop an appropriate indicator for inclusion in the national assessment of the performance of local governments.

The LRECC should examine the laws governing professional bodies so that they become harmonized with their tax obligations including licensing at the local governments where they operate.

The LRECC and MOLG LGs must put in place framework for the immediate involvement of women and youth councils as well as CSOs in revenue mobilization, generation and management in order to ensure greater impact and sustainability of LRE efforts of DDP 2.

2.3.3 Output 3: Local capacity enhanced for professional property assessment and tax collection

Output Target

The output targets under this output include:

- (a) Conducting an action research project in a selected district incorporating revenue mobilisation procedures and an incentive system for local revenue collection.
- (b) Initiating a capacity building programme for property valuers, tax collectors/tax administrators and physical planners.

Output Indicators

The output indicator is a report on the research. Other output indicators are the percentage of trainers recruited locally, percent of trainees knowledgeable in property tax assessments and tax collection (accuracy of at least 85 percent), number of valuers, physical planners and tax collectors trained (gender disaggregated).

Achievements to date

Draft Guidelines were produced and their testing began in 10 DDP 2 districts. LGFC and MOLG agreed to integrate research activities under this output into the related activities under the LGDP 2. The LRECC will proceed to develop an incentive system to LR collection in the DDP 2 pilot local governments and to link best practices from DDP 2 and capacity building results (LGDP 2) through focused workshops in DDP 2 pilot LGs.

Five members of the LRECC were sponsored by the project to participate in a study tour to Pretoria City. The purpose of the tour was to provide the members with experiences in financial management and property tax administration and management. The team identified property valuation, sales of water and electricity, waste management, local economic development, creating investment opportunity and local governments' supervisory role as good practices observed across the three municipalities of Tshwane Metropolitan, Mogale City Local Government and Bela Bela Local Municipality. Regarding property valuation, they noted that the mass valuation method, which is less costly, takes little time and is easy to implement, is used for property valuation. Data collectors are trained to collect data on the site values of properties based on the land on which the property is developed and the technical valuers use the data to calculate the values. Collection of property tax is also being privatised e.g. in Jinja. In some cases, lawyers are used to enforce tax compliance e.g. Arua MC.

Related to the shortage of valuers, the rehabilitation of the School of Survey by ADB is being negotiated by government and LGFC.

Constraints

The IOBP has identified (a) shortage of qualified valuers, (b) over centralized Chief Government Valuer (CGV) Office, (c) non-conversant (non-convergence?) among LGs with the law that governs property tax, (d) poor property tax administration and (e) the outdated local government (rating) Decree of 1979 as some of the major constraints that hinder the exploitation of property tax for local revenue collection.

The property tax bill, which would address some of these shortcomings, and enable rural LGs to collect property rates, remains pending in Parliament. Because of other urgent bills (e.g. review of the constitution, elections 2006, etc) it is likely that the Property Bill will not be passed before the end of the project in 2006/7. In the meantime, provisional property rates are being used by some LGs although proper valuation is difficult and not carried out as the CGV is difficult to access for valuation of properties in urban centres and the mushrooming trading centres in the country side. In some urban areas like Jinja Municipality, change in ownership from custodian board to individuals and between individuals without proper contact addresses makes it difficult to collect the taxes. In general, the property owners are not aware/keen/cooperating on paying property taxes because they do not understand the tax. The women in Arua district complained that they are too poor to pay any property tax as many of them are widows with orphans to support. On the other hand, LGs complain that central government (and some of its institutions) does not pay property taxes on its buildings in the LGs and there is not much the LGs can do.

The lessons learnt from South Africa on collecting property tax using water and sanitation bills are difficult to implement, as they will require changing the legal framework. For instance, the revenues from property tax can only perform well if property tax collection is combined with collection of water and sanitation bills or any other utility bills.

Conclusions

Getting the Property Tax Bill passed by Parliament into law should be considered as an output that may need to be pursued under both DDP 2 and LGDP 2. There is very limited knowledge and understanding about property taxes as there were repeated complaints why LGs should tax properties which do not belong to LGs in the first place. Even MPs are reported not to be very clear about property taxes and in some cases the issue of property taxes has become politicised. The issue of property taxes is very relevant to local revenue enhancement and the strategies under DDP 2 are still relevant. The environment under which the issue of property taxes and revenue mobilisation are operating is becoming more politicised. There are however already efforts to counter some of the potential negative impacts of this politicisation such as creating awareness among Members of Parliament.

Recommendations

The promotion of the property tax bill in Parliament should be considered an output on its own by the LRECC, LGFC and MOLG. There is also need to prepare training materials which can be quickly revised after the Property Tax Bill is passed into an Act of Parliament. The LRECC must explore the possibility of using mass valuations.

2.3.4 Gender sensitive communication strategy for councillors, taxpayers and collectors designed and implemented

Output Targets

The output target is to pilot awareness campaigns for tax payers and local governments on their reciprocal responsibility through workshops, radio programmes, print media and grassroots meetings. The second output target is to disseminate information from studies already conducted on revenue enhancement mobilisation. Through the ULAA there was also to be exchange and debate between local councils on experiences and best practices on tax assessment and collection through round table/symposiums and other appropriate forums. Lastly, is the dissemination of information from studies already conducted on revenue enhancement /mobilisation to tax payers and political leaders.

Output Indicators

The output indicators are completed campaigns as well as the production of reports and their dissemination.

Achievements to date

This output was in the POP targeted for implementation by December 2003 but due to delayed fund release, activity was shifted to first quarter of 2004 but still funds were not sufficient and the output was rescheduled to 2005. ULAA was correctly identified as an implementer by the project because it is a key player in advocacy and representing local governments in various forums and matters, particularly those concerned with local revenue mobilization, generation and management. Accordingly, the LGFC supported ULAA to facilitate exchange visits and round table discussions in 5 districts of the pilot districts where issues on revenue enhancement, collection and administration were discussed with local leaders including LC-V Chairman, CAO, RO, Accountants, Secretary for Finance and Chairman Finance Committee; ULAA has also been very instrumental in disseminating information on radios, TV and newspapers. A community of best practice is therefore being built through this process; recommendations from these activities are due to be published in the ULAA newsletter. A symposium is also being planned during which a Local Governments Award will be made to LGs that come out with innovative practices. Criteria

have already been developed for assessment. ULAA is also working very closely with LGFC/SNV to conduct a study on implications of suspending graduated tax.

Constraints

The annual work plan output targets have not been specific on gender sensitivity of the communication strategy. The output has become generalised and therefore has tended to miss the output targets.

It was planned that in December 2004 a program for initiating capacity building targeting CDA, revenue mobilizers, tax collectors, on best practices, revenue mobilization, recommendations and the use of an effective incentive system in revenue mobilization would be developed but the activity has been pushed to January 2005 because of delays in funds release. Nonetheless, training is expected to proceed in the first quarter of 2005. ULAA a key implementer of this output is constrained by lack of requisite resources, thus making it difficult to interact more closely with the districts on critical issues relating to local revenue planning and gender mainstreaming.

Conclusions

Although MOLG has a communication strategy, to date no gender specific communication package or strategy has been developed for councillors, taxpayers and collectors. This is an area that requires the LRECC and LGFC to take more proactive steps to implement.

Recommendations

The communication strategy of MOLG needs to be customized to integrate a gender sensitive communication strategy for councillors, taxpayers and collectors.

DDP 2 through discussions with Decentralisation Group should seek resources needed for ULAA to facilitate mobilise, sensitise and mentor LGs and communities for sustainable, gender-sensitive local revenue mobilisation.

2.3.5 Output 5: Public and private sector partnership for revenue mobilization and generation

This output is now targeted for 2005. There have however been elements of meeting some of the output targets. A number of LGs have started engaging the private sector in their activities such as implementation of infrastructure projects as well as in revenue collection systems such as running markets, revenue collection and mobilisation, tax collection. The system however varies from one LG to another. There is therefore scope for learning from current practice and for shared experiences among the various Local Governments.

Achievement to date

The main outcome from the LRE component is intended to be improved mobilisation and generation of sustainable local revenue through enhanced capacity of local governments and their supporting institutions. This outcome can be divided into three sub outcomes namely, (a) an increase in number of LGs with revenue increases over the project period (b) decrease in gap between expected and collected revenue (at least by less than 25%) and (c) and increase in tax recovery rate. It is too early to assess the impact of the LRE efforts discussed above but the situation as found in the LGs is presented below. Available information from literature and various sources indicate that there has been a significant increase in revenue to LGs both in nominal and real terms, from an estimated UgSh354 billion in 1997/98 to UgSh757 billion in FY 2002/03 or by 114 %. This has mainly been due to the increase in the conditional and development grants, financed by the PAF, and the various development programmes including DDP and LGDP. However, the contribution of local revenue to these resources has

continued to decline from 36.4% in 1997/8 to 14.6% in 2001/2; this percentage is even lower in rural districts. For instance, among the DDP2 districts, Jinja District Local Government, local revenue contributed to only 3.2% ,while in Yumbe it was 2% in 2002/3; on the other hand in Kumi district local revenue contributed to only 3% of revenue availed to the district in 2003/4.

According to the baseline report, the local revenue performance in 2002/3 ranged from UgSh213 million in Yumbe to 1billion in Arua and it represented an increase in total amount locally mobilized as shown in the table below.

Table 6: Levels of Local Revenue Collected between 2001/2 and 2002/3.

District	Local Revenue Collected		Percentage Performance 2001/2
	2001/2	2002/3	
Arua	1,154,960,000	1,061,038,675	92
Yumbe	155,455,725	158,603,994	102
Jinja	336,718,143	553,067,700	165
Kumi	269,157,032	638,238,720	237
Sironko	307,901,085	509,886,000	166
Arua Municipality	392,186,138	435,340,450	169
Jinja Municipality		2,186,600,000	

Source: LGFC Data Base on Local Revenue Mobilisation

The main sources of local revenue in LGs are GT, market dues, property tax, licences, user fees and charges. An analysis by the LGFC indicated that in 2001/2 LGs derived up to 50% of their revenues from GT. This dependence on GT appears to have increased as in 2002/3, GT contributed between 67-85% of local revenue in the 8 pilot districts save for Mukono where it was only 44%. Most graduated tax payers were paying between UgSh3,000 and UgSh9,000 although the highest average tax was in Ntungamo at UgSh20,000 and lowest in Sironko at UgSh 9,000. Up until 2001, GT collections were easy to get. However, this source has become difficult due largely to political pronouncements especially in the 2001 general elections¹. Although political interference was observed in all districts visited, the general view of the population was that graduated tax should be retained. A study is being conducted by SNV in collaboration with ULAA on “The Implications of the Proposed Suspension of Graduated Tax on Local Governments Financing and Decentralization Process in Uganda”.

There are differences between Municipality and District LGs in terms of sources of local revenue. While GT remains the main source of LR of local governments in rural areas, in urban areas it is not. For instance, in Jinja Municipality, the major source is the Bus/Taxi parking fees followed by property taxes, market rents and graduated tax. For Jinja rural district, the main source of revenue is graduated tax.

Table 7: Ranking of Main Sources of Local Revenue in Jinja Municipality and Jinja District

Revenue Sources	Rank by Performance of Source by Local Authority 2003/4 Financial Year	
	Jinja Municipality	Jinja District
Property Taxes	2	2
Graduated Tax	4	1
Market Rent	3	3
Bus/Taxi Parking	1	5
Licences and Permits	5	4

Source: Data collected by MTE Team in the field.

¹ Political pronouncements in the 2001 national Presidential Elections were related to the issue of GT becoming an election issue. One candidate introduced the question that GT would be removed as an unfair tax. These statements were followed up by counter remarks on minimum tax figure of UGSh 3000 and suspension of GT for ten years starting from financial year 2005/6. Parliament also rushed to discuss the issue of abolition as well. These issues have become debated matters among the people with various interpretations translated into individual actions or inactions on GT contributions.

The expected outcomes from DDP 2 LRE component is improvement in revenue mobilisation by LGs over the project period by source. Market dues are collected in all HLGs and LLGs. However, in the pilot DDP2 districts, in 2002/3, market dues contributed between 3% in Jinja and 20% of revenue in Yumbe district. In some local governments, collection of market dues has been tendered. In Jinja Municipality, the successful bidders pay their dues up-front. Property tax contributed 2% of local government revenue in 1997/98. This percentage increased to 11% in 2001/2. During this evaluation, lack of data made it difficult to adequately assess this source.

Local revenue has enabled LGs to co-fund capital development projects despite the limited locally generated funds. For instance, with the taxes collected, Jinja Municipality has been able to deliver a number of services including security and security lights; maintenance of roads; drugs, maintenance and wages for the health care centres; education, water and garbage collection. In rural Nyakulyaku village, Buwenge sub-county of Jinja District, the LCI residents have been saving the 25% remitted to them and together with other villages have used the money saved to purchase land for building a health centre

Constraints

Some outcomes on local revenue enhancement are difficult to achieve due to data problems. There are many systems that are handling data on revenue relating to LGs. For instance at central government level, in (a) MOLG, there is the LOGICS and LOGFIAS (b) MOFPED there is IFMS (c) in the LGFC there is also a database. At ULAA there is yet another database on LG revenues. At the district level, in addition to the Kampala City Council(KCC) system being developed for local government revenue management there are other uncoordinated efforts being made by various LGs to develop computer programmes for financial management. The data from these sources are inconsistent. Information from the various national institutions such as Uganda Bureau of Statistics (UBS) for demography are not synthesized/integrated in the revenue related documents.

Outcomes may be difficult to achieve due to politicisation of issues. GT is the only buoyant source of revenue for most rural local governments. GT is currently greatly affected by politics. Although Government has decided that graduated tax remains in force in 2004/5 while alternative sustainable viable sources of local revenue are explored for LGs, political pronouncements have had a damaging effect on attitudes towards paying the tax and other taxes in general throughout the country including the DDP2 pilot districts. There is a need for a decision on how local governments will be financed in lieu of GT suspension.

Markets are a common and key source of revenue at both HLG and LLGs but this is generally affected by poor management and in some cases outright corruption. However, procedures and management of tenders tend to lead to loss of revenue. LLGs are not consulted during the tendering process. Sometimes exorbitant market user charges not commensurate with goods being sold are levied on sellers and huge profits made. Thus, in some cases, tenderers may earn profit as much as 5 times what they pay to the LGs.

Some other revenue sources are also increasingly subject to political interference as well. Local revenue is a subject of national political interference (e.g. *boda boda*, GT are classic examples). Consequently, LGs face problems in raising taxes due to politicking and political pronouncements that have had a damaging effect on the attitudes of taxpayers across the country. When LGs come out with innovative taxes such as parking fees, politics antagonizes their exploitation; this leaves the LGs confused and demoralized.

In some cases when bylaws and/or ordinances are made, higher authorities undermine the implementation of such instruments. In Kumi, for instance, the LLGs passed a by-law allowing tax to be collected from local brews. But the district council stopped them.

Sometimes Government also makes promises which are not met e.g. the case of Jinja Municipality Market whose reconstruction has been pending for long. The President promised to rebuild the market which had been burnt down, but because of the promise the Municipality cannot bid for contractors to carry out the civil works (this point is unclear). This delay has serious impacts on potential revenue from the market and yet the local government cannot do much.

Professional bodies such as lawyers, bankers and doctors who operate in the districts obtain their licences from central organizations and object to paying licence fees to the local governments. Similarly, big corporations tend to refuse to pay taxes to local governments because they are paying directly to central government. Consequently, LGs are increasingly raising questions about policies of some sectors (e.g. forestry, veterinary and URA) in the context of local revenue enhancement. In addition, the central government also has many structures in the various districts but usually does not pay its rates and again there is not much that the LGs can do.

Some HLGs are not remitting the prescribed percentages of the tax they collect to the LLGs and vice-versa. This results in money collected being used at the point of collection, with limited accountability to the people, thus making them unwilling to pay taxes. In any case, at the LLGs and lower councils quite often the funds are not used for service delivery (e.g. improvements to markets etc), thus making it difficult to relate local revenue to services.

Local revenue is also used to pay the salaries of lower cadres of staff within the LG system. However, in some districts parish chiefs may not be trainable, LLGs cannot lay them off because the LG does not have money to pay the retrenchment package and arrears owed to the parish chiefs.

Conclusions

Most local governments are not adequately informed about the laws governing the various sources of revenues. In any case, these laws are scattered (across different statutes?) and need to be repackaged for ease of understanding and interpretation by LLGs and councils.

Local revenue has also been used to fund salaries and allowances of councillors. Regulation requires that only 20% can be used for such salaries and allowances. Only limited amounts of salaries and allowances are paid each year hence there are arrears owed to councillors. Secondly, there are also large arrears in the payment of gratuity and salaries of lower cadres of local government staff that the LGs are finding it very difficult to clear them. In some cases because of these arrears, LGs are being taken to court. Some of the meetings of executive committees are being suspended due to lack of money to meet the councillors allowances. Thirdly, the Central Government recently stated the monthly salaries of LC-5 Chairmen would be paid at the rate of UgSh2million. This pronouncement was after the LGs had already approved their budgets. Many LGs are finding it difficult to raise these new salary scales. Already other members of the executive (Vice Chairperson, Speaker, Deputy Speaker and Secretaries) who are on full-time service of the council as well as the LC-III Chairmen and their executives want their emoluments to be adjusted accordingly.

The definition of local revenue is being questioned continuously. For instance, VAT is paid locally but taken away by central government without giving the LGs a percentage for their collection. Consequently a debate has been opened on the whole concept of local revenue. What is local and what is not local? Some people have argued that what URA collects is largely local as well; hence clarification is needed on what should be called local revenue, who should collect what taxes.

Recommendations

The MOLG and its partners need to address the impacts of political statements on local revenue mobilization at both national and local levels. A strategy needs to be developed for LGs and LRE to be protected from politicisation and to be given the latitude to determine their revenue sources and collection mechanisms in consultation with their constituents.

The project will need to be extended into the third year when scaling down was envisaged under the POP to allow implementation of the pending activities and those proposed by this evaluation. Additional funding should be sought by UNCDF especially from DANIDA and DFID.

It is increasingly becoming apparent that if the DDP 2 objective is to deepen the decentralisation process through better institutionalisation, then local revenue enhancement needs to be inclusive of the wider components of revenue sharing with the central government.

2.4 Component Three: Gender Mainstreaming

Objective and Inputs

The objective of this component is: *“to promote equitable participation of women and men in shaping development directions and choices as per the Constitution of 1995 and the Local Government Act 1997”*. This component perceives gender mainstreaming as a strategy for ensuring that concerns and experiences of women and men are an integral dimension of the design, implementation, monitoring and evaluation of development initiatives. This component has received a total of USD 600,000 to cover a three-year period. UNCDF contribution amounted to USD 300,000 whilst the Japan Women in Development Fund contributed an additional USD 300,000. The MOGLSD was given the mandate to manage this component while at the same time working closely with the Ministry of Local Government, key stakeholders (including donors, NGOs and CBOs). The evaluation addressed the extent to which the key outputs of this component have been achieved as well as identifying the emerging challenges and opportunities.

2.4.1 Output 1: Capacity of the Ministry of Gender, Labour and Social Development (MOGLSD) enhanced to achieve more coherent policy environment for gender mainstreaming

Output Targets

For this Output, there were three targets. The first was to assist the Ministry in the coming up with a revised Gender Policy to reflect the current policy environment. Secondly, developing a National Action Plan for implementing gender policy. Thirdly enhancing the capacity of MOGLSD staff and key actors to implement gender budgeting through gender audits, audit of the NAPW, gender bulletins, and documentation of gender mainstreaming experiences.

Output Indicators

The output indicators include:

- Availability of a revised National Gender Policy;
- Printing and publication of 10,000 national gender policy copies and its dissemination to the pilot districts,

- A ToT workshop for 20 people drawn from the Directorate of Gender and community development staff on gender budgeting, conducting of a gender audit for the national budget, an audit of NAPW and framework guidelines for its implementation, and publication.

Achievements to date

With a staff of 6 to implement gender mainstreaming activities in the Department of gender, Culture and Community and limited funds, the MOGLSD has achieved a number of outputs. Despite these constraints the MOGLSD has had an impact in influencing national policy formulation to address gender concerns and has gone a long way in fostering collaboration with sectors for the actualisation of a comprehensive gender approach in their planning and budgeting processes. During this phase the review of the National Action Plan for Women (NAPW) was carried out and the findings have been used in the country status report on the implementation to the Beijing PFA. Through two meetings, the status report was reviewed and validated at the Women Leaders forum.

Constraints

That the Gender Department is overstretched is an understatement. This has implications on the Ministry's ability to be a leader in the policy making arena, in guiding policy direction and also fostering collaboration with key actors for the actualisation of a comprehensive gender approach. With the additional responsibilities emanating from implementing the gender component of the PEAP, the MOGLSD's ability to implement gender mainstreaming activities will be further constrained. Furthermore, the Ministry is required to develop and maintain a strong linkage with the MOLG/PMU, MFPED and MoAAIF in addition to maintaining strong links with the relevant donors.

Conclusions

Unavailability of sex disaggregated data to highlight existing gender inequalities and imbalances for national to the LC I levels is a constraint that had already been identified by the review of the DDPI and is yet to be addressed. The inadequacy of sex disaggregated data further constrains policy reform and implementation.

The NAPW review, which developed mainstreaming guidelines, has set the pace for the Ministry to develop implementation guidelines to be used nationally and locally down to the LLG levels. A review of the National Gender Policy (NGP) vis-a-vis other policies and legislation is also underway in collaboration with other partners and an action plan to complement the NAPW review will be developed in second phase of DDP 2. The review of the NGP is equally important for the realisation of the objectives of the Poverty Eradication Action Plan (PEAP) and will accordingly take into account new information and analysis on the gender dimensions of poverty. The revised NGP will further enable the MOGLSD and its partner ministries to effectively respond to emerging challenges through policy formulation and implementation. The dissemination of the NAPW and the NGP and ensuing guidelines is envisaged for the remaining phase of the DDP 2 and will entail simplification and translation into local languages.

Recommendations

For effective dissemination of the NAPW and the NGP and ensuing guidelines, these must be simplified and translated into local languages as well as integrated into the gender component of the Local Government Assessment Manuals.

It is recommended that the MOGLSD through the auspices of the Uganda Gender Forum seeks ways of addressing the inadequacy of sex disaggregated data.

Development of a detailed monitoring and evaluation strategy to enable the MOGLSD to assess the implementation and impact of the recommendations of the NAPW and NGP, and extent of gender responsiveness of the local government's plans from planning to implementation.

The issue of limited human resource base within the Department of Gender, Culture and community (from central to district level) to handle gender mainstreaming activities will need to be addressed sooner than later if a number of the objectives are to be achieved. The Ministry is in dire need of additional Gender Specialists (for both the central and district levels) as opposed to consultants, to assist in policy formulation and development of implementation strategies.

Considering that results of gender mainstreaming take a long time to be realised, the activities initiated under this component will require support after completion of DDP II making it important to begin at this stage considering how additional support can be rendered either at the central or district levels.

2.4.2 Gender mainstreamed in local governments in the areas of planning, budgeting, implementation and monitoring and evaluation

Output Targets

The output targets include conducting an inventory on existing gender mainstreaming guidelines, gender monitoring indicators and proxies; create/revise integrated Gender Mainstreaming Guidelines and indicators/proxies; disseminate integrated gender mainstreaming guidelines and gender monitoring indicators/proxies; diagnostic tools/guidelines for gender budgeting developed, and gender budgeting handbook/guidelines printed and published.

Output Indicators

There were a number of indicators for the achievement of the output targets.

- All six core pilot districts to have gender analysis as an integral part of the approved plans
- All six pilot districts to have gender budgeting as integral part of their budget framework
- Inventory report presented
- Gender Mainstreaming Guidelines revised
- Number of LGs utilising the gender mainstreaming guidelines
- Four (4) sets of guidelines developed one for each of the four tiers of local governments: LC 5, LC 3, LC 2 and LC 1.
- 5000 copies published and printed
- Guidelines disseminated to the six pilot LGs and their 115 LLGs
- Diagnostic tools and guidelines developed
- One set of manuals for gender budgeting developed
- 5000 copies of gender budgeting guidelines printed and published.

Achievements to date

The 6 pilot LGs have each prepared their gender mainstreaming plans. Only three sets of draft gender mainstreaming guidelines have been developed by the MOGLSD, with a

combined one for LC 1 and LC 2. To facilitate engendered planning at the LLG levels, the MOGLSD has developed draft Gender Planning guidelines for the Parishes/wards to complement the HPPG. These will need to be disseminated to the districts before the planning and budgeting processes begin.

The 30% requirement for women representation at all levels of decision making in the HLG and LLG is being observed - some Parish development committees (PDCs) have 50/50 representation. Generally at the LCI-LCIII level in Arua, Yumbe and Jinja, there were efforts to include a representative number of women and men in the planning discussion stages and women generally participate in the village parish planning process. In Arua, some women councillors who have been trained by MOGLSD, have begun to see their importance in the council matters and are beginning to address issues from a gender perspective.

Participation of women's councils in the budgeting process has been limited to the budget conference despite the requirement that at the LCI-LCIII there is at least 30% representation of women and equal participation in the planning and budgeting processes. Due to a number of factors such as illiteracy, cultural constraints, many women are neither able to articulate their needs nor effectively participate in the planning discussions. Moreover, women representatives in the Rugaba PDC, Mpumudde division Jinja Municipality, pointed out that most women failed to articulate their needs because most wanted income generating activities and could not see the necessity of the capital projects such as roads or street lighting despite these being for the benefit for the entire community. Furthermore due to the limited funds and prioritisation of parish activities many of the income generating activities are not considered. Accordingly many women felt left out of the planning processes and argued that they were only useful during national women's day and elections. This is one of the concerns that are addressed by the draft gender planning guide for the Parishes/Wards as well as the HPPG, both of which seek to ensure that everyone understands and appreciates the planned activities.

Gender indicators developed under DDP 1 were integrated into the Local Government Assessment manual and are being used to assess the extent to which the LGs have engendered their planning and budgeting processes. The indicators are however based on a number of assumptions, all premised on the LGs having the capacity and skills to engender plans and budgets as well as having a clear and concrete understanding of gender concepts and analysis.

The need to meet the Local Government Assessment requirements with respect to gender is having a real impact on the way LGs are responding to gender issues. Because of being penalised for not meeting gender mainstreaming many local governments are now demanding support from MOGLSD to assist in engendering plans and budgets. To quote the CAO of Ntungamo district (at the National Stakeholders MTE debriefing session on 2nd September 2004) – " Gender mainstreaming is a problem for us, we don't understand it, we need help, it is not properly internalised."

Gender budgeting is still not yet an integral part of the district or sub-county plans since the gender budgeting training has not yet been carried out. However, efforts are already underway to hire consultants to assist in developing guidelines on engendering the local government budgets. This will entail gender budgeting training to be undertaken in the second phase. Gender budgeting is a technical skill which will require full training of the planning and budgeting departments. The Ministry of Finance is in the process of developing guidelines on how to engender budgets and develop training modules on gender budgeting. However, through the MOGLSD, efforts at engendering local government budgets are being synchronised with those being undertaken by the Ministry of Finance under the PEAP programme to ensure harmonisation and avoid duplication of efforts.

A common characteristic of the districts is that whereas women participate in the planning processes at the LCI-III, they are less represented in the district and municipal administrative

structures. In Arua, there are only two women in the technical planning committee, both situated in the community development department. Despite this, efforts are made at both the district and municipal council levels to cater for gender concerns. For example, in the three Jinja municipal divisions, a gender focal point has been appointed to ensure that gender issues are reflected in planning processes. These officers have been involved in the planning processes and have helped to identify the key areas that need addressing in the plans.

An inventory of existing gender mainstreaming guidelines, gender monitoring indicators and proxies has been developed. This inventory provides an opportunity for best practices, tools and methodologies to be mainstreamed into the guidelines for gender mainstreaming.

Constraints

Many gender focal persons lack technical skills on engendering plans resulting in development plans that have activities for women under gender programmes. These officers have been involved in the planning processes and have helped to identify the key areas that need addressing in the plans.

Conclusions

A cursory look at these gender mainstreaming efforts reveals that most initiatives are still within the Women in Development (WID) mode which makes it difficult to actually undertake mainstreaming of gender into planning and budgeting. Moreover, in all the districts and sub counties visited there is the tendency to lump together women, children, youth, elderly and people living with disabilities into one category. This has implications for the allocation, management and utilisation of resources. For example, at the LCI-III level both in urban and rural Jinja, it is clear that many 'gender' initiatives are not only needs based but mainly focussed on women's empowerment. In Mpumunde division, Jinja Municipality, separate activities are planned for men and women e.g. carpentry for men and dressmaking for women, which the technical committee explained reflects the stage at which the community is.

Recommendations

To effectively mainstream gender into the district development plans, district/municipality planners will require continued in-depth and targeted training to build their skills in engendering plans and budgets.

It is recommended that the MOGLSD assists the various departments in identifying their gender-related priorities and interventions, and women specific priorities. This would entail development of strategies that would not only build gender competence in the relevant departments, but also ensure that objectives, outputs, and activities are sensitive to gender equality and would meet the needs and priorities of both women and men and, minimise constraints to women's participation.

Bearing in mind that LGs are in different stages of gender mainstreaming the Gender Assessment indicators in the Local Government Assessment manual will need to be reviewed so as to capture and reflect the reality on the ground.

It will be necessary for the MOGLSD to identify those districts that are still in the WID mode and enable them to plan for activities targeted at women's empowerment while at the same time introduce them to gender and development concept.

2.4.3 Institutional mechanisms to support gender mainstreaming improved

Output Targets

The output targets include supporting the institutionalisation of the Gender Mainstreaming Task Force and the Uganda Gender Forum led by MOGLSD, the review of gender focal point roles in all ministries and local governments, retooling offices of the gender focal points, supporting women leaders and Uganda Gender Forum; establishing and supporting district women's fora and National Gender Focal Points in Ministry and Districts in specific activities.

Output Indicators

The output indicators are:

- Job descriptions that include roles of gender focal points at central and local levels
- Gender mainstreaming performance assessments conducted for districts
- Gender task forces institutionalised into Gender Policy Team
- Existence of Gender mainstreaming Task Force,
- Functional Gender Forum at National Level holding quarterly meetings with gender focal points in central ministries and local governments,
- 6 offices retooled with computers and a vehicle,
- Existence of functional women's leaders forum holding meetings per quarter
- Existence of activities arranged by national and district focal points.

Achievements to date

The MOGLSD has initiated the setting up of the Uganda Gender Forum (UGF) to support it in the implementation of Gender activities. The Gender Forum - now operational, and composed of donors and NGOs - has been useful to the Ministry through networking and gathering support for some of the activities. One achievement of the UGF is the review of the PEAP from a gender perspective. From this review, donor relations were strengthened and holistic strategies for attainment of gender equality have been charted out.

A Gender Mainstreaming Task Force (GMTF) has been established to assist the MOGLSD in the review, refinement, and approval of a number of outputs coming out of the DDP2 project and other programmes of the Ministry. The GMTF has already held 22 meetings.

Through the Ministry's initiative Gender Forums have been established in Arua, Yumbe, Mukono, and Kayunga districts. In Yumbe, for example, further to the establishment of the district gender forum in July 2004, it was recommended that a Caucus of Women Councillors be formed to discuss issues concerning women prior to holding of council meetings as well as present these during the meetings. This Forum and Caucus will be instrumental in increasing the level of gender awareness that is still low because of cultural, religious and institutional constraints.

During this project phase, 2 computers were bought for the MOGLSD and 6 for the districts. But their use in the districts has been curtailed by a number of factors such as lack of burglar proofing, and appropriation of the equipment by higher authorities as was the case in Kayunga and Mukono. In Arua and Yumbe, the gender focal points already have a computer, printer and a generator. A total of 18 district officers and 8 officers from the MOGLSD also underwent a computer skills training course. The provision of this equipment and the skills training has resulted in improved efficiency and effectiveness in delivery of services and has enhanced information storage and flow.

Constraints

At the beginning of the DDP 2 the MOGLSD had very little extra resources. Despite the provision for a vehicle, the Gender department still has no vehicle, has limited use of computers, printers, stationery or even e-mail facilities that continues to constrain effective delivery on certain activities such as travel to monitor or undertake district activities. The level of gender awareness is still low because of cultural, religious and institutional constraints.

Conclusions

There has been remarkable progress considering the limited staffing position of the MOGLSD. Some efforts have been made at the district level but the staff shortages there also impact on effectiveness.

Recommendations

Whereas equipment for the MOGLSD and the gender offices in the field have been purchased, there is need to assess and identify additional needs, for example email facilities, additional computers etc.

Every effort should be made to recover the equipment that has been appropriated by higher offices in the field and likewise the purchase of the vehicle for the MOGLSD should be completed.

2.4.4 Local capacity of key actors in gender analysis and gender mainstreaming increased.

Output Targets

The main output targets are conducting skills audit for gender focal persons at National and District levels, supporting refresher courses and workshops on gender analysis and planning, sensitising women councillors on their roles and training them in leadership and advocacy for the promotion of gender sensitive policies and resource allocation as well as support to gender responsive planning and budgeting through technical backstopping, monitoring during local government planning and budgeting, support to pre-budget caucus meetings for women councillors and training workshops for political and technical staff in gender budgeting.

Output Indicators

The output indicators include

- Availability of baseline skills audit report,
- Availability of 24 gender focal persons with sufficient skills, (18 district and 6 head office),
- Gender analysis and planning skills training workshops conducted in 6 pilot districts and 115 LLGs,
- Training and sensitisation carried out in 6 pilot districts,
- 6 mentoring visits conducted,
- Women's activities funded in local governments
- Trained officials in the 6 pilot districts

Achievements to date

The MOGLSD has carried out effective gender mainstreaming training of the LC V and Sub -counties' technical teams, executives and women councillors from the 6 districts. Basic institutional support and training on gender mainstreaming has also been offered to the

District Community Services Department, specifically to Gender, Youth, Disability, Community Development and Culture Officers. In total 115 LLGs have undergone the skills training with a total 640 key actors trained. Resulting from the trainings, 6 gender mainstreaming action plans have already been developed.

Specific training was further carried out for women's councils and women councillors on their mandated roles and responsibilities in leadership and advocacy. A total of 680 women leaders from the 6 districts were trained. In addition to having a critical mass of women who can influence the district and sub-county planning processes, the trainings brought together and bridged a gap between the different women leaders. The trainings have been held once (between October 2003 – May 2004), and evaluation of its impact on development planning and budgeting is yet to be undertaken. A key outcome of this training was the establishment of women's caucuses to meet and discuss specific issues pertaining to women and present these to council meetings.

Unfortunately the district gender mainstreaming training took place after all the district plans had been developed, which explains why the current plans in districts visited were not gender responsive. To address this anomaly, the MOGLSD conducted 6 mentoring activities in 2 Jinja and Mukono districts during which the gender mainstreaming skills of the gender focal points and district planners were sharpened and where possible, gender specific targets were incorporated into the district work-plans.

Training to enhance the gender-mainstreaming capacity of gender focal points (GFP) in the sectoral ministries has already begun and so far four sector development plans have been reviewed. However, the review of the remaining 13 is yet to be undertaken although this has been constrained by the limited human resource capacity of the MOGLSD. Three gender focal points have been allocated budget lines for mainstreaming activities in the ministerial budgets. In addition there are six gender focal points in place in the HLGs but not LLGs.

Constraints

One constraint is that most gender focal points hold junior positions in the Ministries and can neither influence policy nor participate in key decision making processes. The MOGLSD has however requested the respective ministries to appoint persons with higher ranking to the GFP position.

Although gender mainstreaming training has been carried out in the districts, the same is yet to be done for the PMU and respective MOLG departments.

Gender awareness and observing the 30% representation rule, does not always translate into gender responsive planning. There was genuine concern that what was learnt during the training may evaporate. Those technical committee members (for example from Arua and Jinja) who have been trained indicated the need for more in-depth training on gender analysis, gender sensitive project planning, budgets and development of gender responsive monitoring indicators.

Shortage and or delay in the transmission of funds has limited the number of trainings undertaken and training is yet to be undertaken in many sub-counties and divisions.

What is also lacking is a gender impact assessment of the existing development plans to highlight the potential negative consequences that could be balanced against any potential positive gains in support of a correct course of action.

Conclusions

There is increased demand for additional training for the district executives even from the non-DDP 2 districts as LGs are beginning to address issues in a gender sensitive manner and looking for achievements through a gender lens. Furthermore, demand for CDO/CDA support for gender mainstreaming into LCI-LCIII planning processes has increased. Jinja district for example, made a request for the plans to also focus on needs of men and not just those for women. However, no such training has taken place at the Parish/Ward and village/cell levels and the technical teams in the municipalities/divisions have not been trained.

Other actors are involved in the GM activities at the district level. For example, in Arua, gender mainstreaming activities are being undertaken by SNV and CEFORD for the women councillors and sub-county teams. However, the trainings by SNV and CEFORD do not involve the district gender officers and there likewise the MOGLSD does not involve them in their training.

Recommendations

Additional in-depth training and mentoring on gender analysis, gender sensitive project planning, budgets and development of gender responsive monitoring indicators for the technical teams is necessary. An assessment of the impact of the trainings on development planning and budgeting is recommended and would be useful in charting out any follow up training.

Mentoring is an intensive and demanding activity that requires a resident district gender specialist to work closely with the planning units and technical teams and also ease the heavy burden on the few staff at the MOGLSD. In-house gender awareness training is required for all staff in all the districts, the PMU and respective MOLG departments.

A more user-friendly gender mainstreaming guide/checklist, in the style of the environmental checklist for use by HLGs and LLGs should be developed. This checklist is different from the gender planning guidelines and is for the use of the planning unit/technical teams to assist in engendering plans, budgets etc.

The Gender component of the Local Government Assessment manual must be reviewed to conform to the new gender training manuals, gender planning and budgeting guidelines.

A functional analysis of the role of GFPs in the ministries should be carried out with the view of identifying their roles and responsibilities, positions they hold and at what levels. The findings of this analysis would assist the MOGLSD in lobbying of the respective ministries to appoint GFPs from persons with higher policy making positions to enable them to effectively bring about the desired change.

2.5 Component Four: Strengthening The Administration Of The Local Council Courts

Objective and Inputs

The objective of this component is: *To strengthen the administration of the Local Council Courts*. This component is premised on improving the performance of the Local Council Courts in the administration of local justice to not only influence the legitimacy of the LLG system but also promote good governance at the grassroots level. This component was allocated a total of USD 440,000 UNCDF contribution was USD 340,000 whilst the UNDP Governance Trust Fund contributed USD 100,000. At time of the MTE, a total of

USD125,000 had been disbursed with an approved balance from UNCDF of USD165,000 available for the following year. UNCDF amount used was only USD25,000. The 50,580 Local Council Courts (LCCs) were born out of the Local Council structures initiated during the 1981-86 war. Their functions were formalised by the Resistance Councils Judicial Committees Power statute of 1988. There is an intention to separate the LCCs from the Sub-county executive through the enactment of the Local Council Courts Bill, which is currently before Parliament. The proposed Bill seeks to increase the jurisdiction of the LCCs to Sh. 500,000 in addition to placing certain procedures that must be followed by the LCCs. Over the years, it has become very evident that the Local Council Courts are constrained by a lack of up-to-date operational guidelines, basic training for Court Members and general awareness and understanding of both the Court Members' and the litigants' rights and responsibilities vis-à-vis the Local Courts, including basic laws. This *inter alia*, formed a basis for UNCDF to pilot for the first time, support to the operation of the LCCs through DDP 2.

2.5.1 Output 1: Local Council Court strengthening strategy developed and disseminated

Output Targets

The output target for Output 1 revolved around the formulation of a

- Strategy elaborated, translated into five selected local languages and disseminated.

Output Indicators

The output indicator is that the strategy would be documented and number of copies disseminated.

Achievements to date

By the time of the MTE, the Local Council Court strengthening strategy had been produced and translated into five local languages. 40,000 copies of the guides for LC Courts had been developed and distributed. The strategy formed the basis for the development of the trainer's manual and the operational guides for the LCCs. In addition, district based ToT have been established with 36 trainers already trained for this purpose.

Constraints

There were no major constraints encountered in achieving this output. New challenges are emerging in terms of replication countrywide of successes in the pilot districts. Additional challenges are related to the linkages between the decentralized justice system, human rights, gender and culture and these are enormous. Integrating gender and culture into local justice system calls for a lot of patience, time and resources, which have proved very meagre.

Conclusions

Remarkable progress has been made with the pilot districts. New emerging issues are occurring in terms of the strategy particularly on extending the training to cover other areas which are traditionally undertaken by formal courts; strengthening the link between the LCC and the judiciary, and, issues of sustainability bearing in mind changes that are brought about after elections. There is a need to implement the strategy countrywide and resources are required for that effort.

The Local Council Court Bill is before Parliament and when it comes into force will give the LCCs more power and will delineate the roles of the LC 1 – LC 3 courts.

Recommendations

To fully have an impact on the administration of local justice, additional financial and human resources are required to cover training especially for the remaining sub-counties, dissemination, monitoring and evaluation as well as documenting best practices. Funding can be sought from the JLOS Donor group which is effective in bringing about wholesome structural changes in the justice delivery system.

For sustainability and given the high turn over especially during elections, the capacity building of the LCCs should be mainstreamed into the Local Government's capacity building strategy.

2.5.2 Output 2: Operational guidelines for LCC proceedings developed, introduced and tested

Output Targets

The output targets include the printing and production of guides and reference materials as well as supervision and monitoring of programme activities.

Output Indicators

The output indicators for are guidelines and reference materials developed and tested and supervision and monitoring reports.

Achievements

So far operational guidelines for LCC proceedings and record keeping, financial management are already developed in English and have been widely disseminated. The guides are user friendly and have been translated into 9 languages. However demand for translation into other languages has increased. In Arua, there was a request for the guidelines to be translated into Bakara which is the second most spoken language after Lugbara. It was clear in the districts visited by the MTE Team that the guidelines were developed and distributed widely as many people carried these to the meetings. A start has been made and there is scope for extending this across the other counties and districts. The 36 trainers were charged with training the LCC personnel on the use of the guides.

Constraints

A constraint however is that the trainers are district based staff and they have to balance the other work commitments with the training. For example in Arua the trainers were in the field for 4 months and were not able to cover all the 36 sub counties due to time constraints. This is in addition to the increasing demand for similar training from the Arua municipality for example Oli and Arua hill, Adumi, Olufe divisions.

Conclusions

The production and dissemination of guidelines and reference materials has contributed immensely to the effective delivery of justice at the local level. Many people expressed those sentiments to the MTE Mission. This output strategy for addressing the local justice delivery system is relevant. The environment is still conducive as even the Judiciary has become keenly interested and expressed strong desire to supervise the local council courts delivery system. Parliament is set to pass a Local Councils Court Bill. The assumptions for partnership with other donors has been realised as UNDP and the Netherlands Embassy have

contributed to the Component during the DDP 2. JLOS has become more effective through the DDP 2.

It was clear in the districts visited by the MTE Team that the guidelines were developed and distributed widely as many people carried these to the meetings. A start has been made and there is scope for extending this across the other counties and districts.

Recommendations

The operational guidelines should be translated into more local languages to facilitate the training.

The guidelines will need to be harmonised to address a number of issues such as Children's issues, Community Service, as well as prevalent land disputes which are coordinated under the formal courts system.

Additional training for the remaining sub-counties should be undertaken and possibly more trainers recruited.

An effective monitoring and evaluation guideline should be developed, implemented and disseminated. Monitoring and evaluation of the LCCs using guidelines ought to be undertaken within the next six months.

The Lower Council Courts Guides need to be translated into more local languages for easy use. Some of the courts still need to know their jurisdiction especially in civil and criminal cases. They also require copies of the Local Government Act, Constitution, and Children's Act etc.

2.5.3 Output 3: Capacity of LG for local justice improved

Output Targets

The output targets include the training of trainers in 4 districts on the draft guidelines and reference materials plus the development of trainers' materials. There would also be the training of sub-county, parish and village courts by district trainers

Output Indicators

The output indicators would be the number of district teams trained as well as the number of LCC members trained.

Achievements

For the first time, training of LCC members was undertaken which was appreciated in the districts visited and reiterated during the national stakeholders meeting on 2 September 2004. A guide for the LCCs has already been developed, produced and 40,000 copies distributed to LCCs in the 6 districts.

There is an increased demand for similar training of LCC members from the remaining sub-counties. The training has already resulted in marked improvement in the recording of summons, proceedings, and finances at the LCI to LCIII courts. For example, in Adumi and Vurra, sub-counties, Arua district, the LCC I and III had already put in place the recording, summoning, appeals systems and all payments received are receipted. In Vurra, the sub-county accountant was charged with receipting the payments and making out any payments to the court members where necessary.

The initial plan was to work with four (4) districts but later it was agreed to cover all the six pilot districts. From January to June 2004 based on the guide, 34 ToTs were trained from 6 districts; training of 36,400 LCC personnel was carried out covering a total of 3,675 LCCs in 80 sub-counties, 360 parishes and 3200 villages in 6 districts namely Arua, Yumbe, Mukono, Kayunga, Jinja and Kabale. However, 2,836 LCCs are yet to be trained and these are in Arua, Mukono and Kabale.

Discussions with members of the judiciary pointed out that for the courts to be fully effective in the way they are supposed to work, it will be necessary to bring them within the ambit of the Judiciary for proper supervision and monitoring. The Judicial Strategic Plan proposes to place Magistrates Grade 1 at the sub-county level to be charged with the monitoring and supervisory roles over the LCCs. These Magistrates will receive training that will enhance their supervisory skills. To assist this Magistrate appointment of a district legal officer to facilitate the paralegal training of the LCCs ought to be considered.

Constraints

Effective monitoring of the LCCs has however been constrained by a number of factors. The Chief Magistrate is overwhelmed by court work and cannot effectively undertake supervisory duties over the LCCs. Secondly, the additional responsibilities of the LC 3 chairman prevent them from monitoring of the LCI and LCII courts. Monitoring of the training undertaken on the LCC guides is yet to be undertaken.

Some courts are trying to deliver gender sensitive judgements, but lack of gender awareness and guidelines constrains them.

Conclusions

The LCCs are internalising the HENGs (human rights, ethical conduct; natural justice and gender sensitivity) principle and seek to apply it. However it is still very early to draw firm conclusions on the impact that this has had on the justice delivery system since most of the training was undertaken in the first half of this year. Some LCCs pointed out that since the training they had sat in very few cases. Most community members have noted efficient justice service delivery as well as a notable decrease in cases going on appeal to the LCII level from LCI. However the high registration fees have contributed to a decrease in disputes.

Court registration fees are regarded as a source of revenue for the sub county. Most LCCs visited recorded the monies paid for registration and set aside an amount for stationery, facilitation fees. Vurra Sub-County sets aside some amount as revenue for the sub-county. In the Nyakulyaku Village, Buwenge sub-county, Jinja district, the LCC I preferred to save all the money rather than pay themselves any facilitation fees. This money was kept to support community projects and any extra expenses for the courts.

An important issue that will need redress is that of separating the powers of the judiciary and executive, bearing in mind that the LC chairmen and executives constitute the court. Whereas communities feel they do not want another governing authority, i.e. a separate court, it would be necessary to address how one organ does not influence the other. Moreover, the LCCs are authorised by law to hear cases that are within the jurisdiction of the High Court e.g. defilement or elopement, which needs to be clarified, although in such cases one finds that they are resolved at a family level and never reach the courts.

Although mandated to implement a number of statutes, the LCC members will require paralegal training to demystify the laws. The Department concerned for Local Courts cannot ably translate these laws for the effective application of local council courts.

The output strategy has been very relevant to improve local justice delivery. The environment is still conducive to effective project completion and the assumptions of uptake and partnering has been vilified with other donors showing interest in the component and its outputs.

In many cases records are kept in the homes. A suggestion from Vurra Sub-county (Arua District) to provide an office for the storage of Court records and use by the LCC 1-3, is one that should be encouraged in other sub-counties.

Recommendations

Additional paralegal training and legal awareness is recommended for the LCC personnel especially on basic laws and rights. Increased and or targeted gender awareness training for members of the LCCs at all levels ought to be part of this training.

For sustainability and given the high turnover especially during elections, the strengthening of the administration of the LCCs should be mainstreamed into the Local Government's capacity building strategy.

The Judiciary should be involved in the monitoring and supervision of the LCCs to ensure that proper procedures are followed in handling of all cases. The proposed appointment of Magistrates at the sub-county level will go a long way in assisting in monitoring of the LCCs.

To assist this Magistrate, the appointment of a district legal officer (through the Office of the Attorney General) to facilitate the paralegal training of the LCCs ought to be considered.

There is need to clarify the authorisation by law of the LCCs to hear cases that are within the jurisdiction of the High Court e.g. defilement or elopement, although in many instances many such cases are resolved at a family level and never reach the courts.

An effective monitoring and evaluation guideline should however be developed, implemented and disseminated. Monitoring and evaluation of the LCCs that are already using the guidelines ought to be undertaken within the next six months.

The LCCs require proper storage facilities for their records etc. Some sub-counties have been assisted with storage facilities.

The system of payments of court fees is open to abuse and checks have to be put in place especially since the jurisdiction of the LCCs will be increased once the new Bill is enacted

2.5.4 Output 4: Community members sensitised on roles and responsibilities of Local Court System of local justice.

Output Targets

The output targets include awareness campaigns in districts and sub-counties as well as the documentation of lessons learnt from the pilots.

Output Indicators

The output indicators for this included the following:

- Radio messages in four languages
- The number of awareness campaigns completed
- A Report on performance of LCCs.

Achievements to Date

Community members have been sensitised on roles and responsibilities relating to the LCC system through 100 Radio programmes/messages that have been broadcast for 66 days.

Constraints

However full confidence in the LCCs is yet to mature as some people report their complaints twice (to formal courts and LCCs) to see which system will offer a better redress. This undermines the whole idea of the disputes being settled at the local levels and reducing the number of cases being taken to the formal courts. In the municipalities, seeking redress in the LCCs was minimal as many of the community members who are mostly government employees and business people preferred to use the formal courts system since the jurisdiction of the LCCs was limited. This undermines the whole idea of the disputes being settled at the local levels thus reducing the number of cases being taken to the formal courts.

The district trainers have other office duties which make it difficult for the members to get enough time to undertake the necessary training for local council courts.

Due to informal way in which cases are handled and being closer to the communities, there have been requests that the LCCs jurisdiction should be expanded to handle all cases. This would in turn reduce the number of cases being taken to the formal courts

Conclusions

Perhaps due to past history, some LCCs (for example LCC 2 in Awindiri Division, Arua municipality) felt that the police did not appreciate the work they did and often disrupted their hearings.

The fines and registration fees are too low to enable local revenue raising as well as meet the court facilitation costs. As a result there are cases of court fines being sometimes very high and arbitrary. Again some of the courts still need to know their jurisdiction especially in civil and criminal cases.

Due to the success of this component a number of donors have come in support of certain activities and are also replicating the trainings in other non-DDP 2 districts. These include UNDP, JLOS, and RNE who supported the printing and translating of 50,000 copies of the guidelines.

The Justice system for a variety of issues such as Children's issues, Community Service referred by Magistrates as well as prevalent Land disputes, require to be harmonised with the LCCs and guidelines given. These other issues are not readily coordinated as they belong to different Ministries and jurisdictions.

Recommendations

The media campaign should continue for another six months so as to increase awareness and sensitise people and the police on the importance and roles of the LCCs

The MOLG Component managers of the LCCs should make available copies of the Local Government Act, Constitution, Children's Act etc to the District Trainers for distribution to the LCCs.

The MOLG and the Judiciary need to coordinate and harmonise the justice system for a variety of issues such as Children's issues, Community Service referred by Magistrates as

well as prevalent Land disputes culminating in the production guidelines.

The Lower Council Courts Guidelines need to be translated into more local languages for easy use.

Since district trainers have other pressing duties impacting on their ability to deliver effective timely training of LCCs, it is recommended that that training be done by two different levels with District Trainers being responsible for training and supervising Sub County Trainers. The latter should then be responsible for training lower level LCCs at Parish and Village levels.

In addition to sensitizing the communities the local police will need to be sensitised on the role of the LCCs to avoid conflict in the administration of justice.

CHAPTER THREE

PROJECT PREPARATION, DESIGN, AND RELEVANCE

3.1 PREPARATION

3.1.1 Appropriateness of the project preparation

The preparation for DDP 2 started soon after the Mid Term Evaluation of DDP 1 in February 2001. Issues raised in the MTE of DDP 1 were carried forward in the Project Concept Paper (July to October 2001) that identified possible areas for future activities of UNCDF in Uganda. The Project Concept Paper identified five main areas of focus: participatory planning and budgeting, financial management and audit, local revenue enhancement, women councils, and local justice system.

The Concept Paper had peer reviews from October to December 2001 before appraisal in January 2002. A Project Formulation Team went to Uganda in February to March 2002 culminating in a Stakeholder Workshop in March 2002 where key issues were identified for the Project limiting itself to the four components. Project appraisal was done in two stages starting with the enlarged (?clarify) appraisal in Kampala and another at UNCDF head quarters. Both meetings offered very constructive comments on the proposal. LGs were consulted very intensively. Due to limited UNCDF resources, it was agreed that DDP 2 would concentrate on “software” components only i.e. systems and guides. Agreements were reached between the design team and LGs on this focus and that such “software” would be left the responsibility of central government departments.

3.1.2 Design and quality of the project formulation processes based on the Project Concept Paper and Project Document.

The design took into consideration the extensive work undertaken by the DDP pilot and the follow up was intended to deepen that piloting process. The Project Concept Paper was a reflective process to ascertain the areas of focus for UNCDF in Uganda. The formulation process was quite elaborate from July 2001 up to the completion of the appraisal in March 2002 and final signing of the Agreement in September 2002 before commissioning in October 2002. The Project Concept Paper laid out five areas requiring further attention and deepening. Considering the Peer Reviews and UNCDF Concept Paper Appraisal in January 2002, three main components were selected based on the resource envelope i.e. participatory planning, local revenue enhancement and gender mainstreaming. Options were left for including financial management and strengthening of local justice if joint partnerships with other donors were available.

3.2 DESIGN

3.2.1 Efficacy of the component approach adopted to solve the problems identified in the design

The Component approach was adopted to address the issue of institutionalisation of processes. Long term responsibility for local governance issues lie with specific government departments. The Component approach was adopted to ensure that such tasks are carried out by institutions with the mandate to supervise that task nationally rather than leave such interventions in the hands of parallel temporary project structures such as the PMU/PCU. The component approach was also addressing the issue that impact needed to “have potential to influence the development of national policy for good local governance”¹. The Component approach increased chances of partnerships as donors have tendencies to work in a variety of

¹ Project Concept Paper, page 34.

focus areas. The Component approach gave room for such partnerships. The DDP 2 adopted the four components under the four Component Managers in different departments or agencies. The Component Approach took cognisance of the limited resource envelop of UNCDF requiring partnership to ensure adequacy of funding. Questions can however be raised as to whether it was too ambitious for UNCDF to have four projects in one and whether there was capacity to be equally effective in all four. Since the Components were largely independent of each other and never meant to be linked at the local government level, how were the Components perceived by the pilot local governments? The end user needed to have an appreciation of the DDP 2 in some coordinated manner especially if they were to educate their peers on the success of DDP 2.

3.2.2 Objectives and outputs: well defined, realistic and quantifiable?

The DDP 2 is clear on the broad objectives of poverty reduction and that is still relevant. The development goal or project purpose is local development through expanded access and better quality of public services. This objective is what the MTE tried to use in making a mid-term assessment of DDP 2. In practice however, as indicated in Figure 1 on page 19, the real development objective of DDP 2 was the “*attainment of high quality of local governance institutions, systems, programmes and operations in local governments (higher local governments and lower local governments)*”. DDP 2 had largely institutional outputs. The institutional outputs are the four components which are further subdivided into a number of individual outputs all designed to improve local governance through appropriate mechanisms in participatory planning and budgeting, local revenue enhancement, gender mainstreaming and strengthening the administration of local council courts. The outputs are well defined and realistic and quantifiable with their own objectives.

Recommendation

The project development objective should be recast as follows: “The *attainment of high quality of local governance institutions, systems, programmes and operations in local governments (higher local governments and lower local governments)*”. The Project Log Frame should be reviewed accordingly.

3.2.3 Beneficiaries and users of project results

The beneficiaries and users of project results are the local governments and their constituents. However the mechanisms are put in place by central government agencies as frameworks being tested in the pilot districts with a provision for up scaling and replication across the country particularly through the Local Government Development Project. The users of the project results would be the HLGs and LLGs as well as the lower local councils, i.e. Parishes and Village Councils.

3.2.4 Planned sequence of implementation of activities vis-à-vis supporting implementation arrangements such as allocation of funds (amount, channel of disbursement, accountability), and staff requirements.

DDP 2 is a three year project with annual work plans modified from the POP and based on an approved UNCDF allocation for the year. Implementation would then follow the budget allocation, disbursement from UNCDF and from the PCU to the Component Managers. Subsequent disbursements would be based on annual reports and annual work plans. There have been problems in this planned sequence of implementation. The 3 separate problems included delayed disbursement of funds, human resource shortages especially in the Gender Mainstreaming and CPPB, and in some cases, as pointed by some component managers, it took some time before they were clear what they were supposed to do. All government departments save for the LGFC had other responsibilities and were already short staffed e.g.

Gender Department had 6 officers in the whole department for the whole country with very limited capacity in terms of office equipment, vehicles etc. The Policy and Planning Department has only three people who have other responsibilities. These factors contributed to the delays in starting up activities as some departments were not exactly sure of what they were expected to do.

3.2.5 Validity of the original assumptions and risks

The objectives on poverty reduction and improved high quality systems and procedures of local governance are still very relevant. The DDP 2 is definitely addressing key strategic issues that require piloting and testing before replication. The issues being addressed in local level inclusive planning that helps address poverty, in local revenue enhancement, gender mainstreaming and in local council courts all contribute to good, accountable and transparent local governance. The structure is already in place for up scaling through the LGDP 2 and funds are also available under that program.

Decentralization still remains and will remain a key government direction for some time to come. The PCU still continues to have the capacity to support the work but the workload from the World Bank funded LGDP 2 is requiring more of their time compared to DDP 2. The MOLG is providing support to the program. The support is still judged adequate and satisfactory. There is still continued donor interest and collaboration with occasional apprehension emanating from the evolving political environment, a situation that could significantly affect the conducive environment to goal achievement.

There are a few risks in the wider political environment. These include the political transition to a multi-party system, upcoming elections, the Federal and regional tier issues being debated, which all have a direct link with decentralisation policy. The political transition in particular will affect the timing of finalisation of certain legislative Bills e.g. Local Council Court Bill, Property Evaluation Bill, Domestic Relations Bill, the establishment of the Equal Opportunities Commission. All these have an impact on DDP 2. The debate in Parliament on scrapping affirmative action will likewise impact gender mainstreaming and inclusive participation. The current debate on the appointment of the CAO by the central government will affect the scope of decentralisation. These debates also include that on suspension of the Graduated Tax which have serious ramifications on the local revenue enhancement component. The central directive on LGs on the salaries of the LC 5 chairpersons has a serious impact on the scope of decentralised government autonomy.

In addition the continued existence of Women's and Youth Councils at the local level impacts the decisions of the District Councils and Sub County Councils. The Women and Youth Councils make decisions sometimes in competition with the Local Governments. Lastly, the new structure of Local Governments being discussed and proposed is likely to have impact on local governments. Overall, the environment is still generally open and favourable to project implementation but needs careful monitoring for possible impacts on effectiveness.

3.3 RELEVANCE

3.3.1 Relevance of the project and its strategy given current context: Are the objectives still realistic and appropriate?

Given the development objective of the DDP 2 as to ensure deepening of decentralisation through the provision of frameworks that promote high quality of local governance institutions and systems, the project is still relevant and its strategy realistic and appropriate especially in view of its complementarity with the LGDP 2 and poverty reduction strategy. LGDP has prepared TORs for studies to be carried out in 2005 thereby ensuring effective replication and up scaling.

3.3.2 Project rationale, UNCDF in new areas: the strategic rationale and justification in terms of comparative advantage for UNCDF engagement in these new areas.

The MTE was asked to assess the rationale of UNCDF, after successful DDP 1 and replication through to LGDP 2, continuing engagement in Uganda and even moving into new areas in DDP 2. UNCDF continued in Uganda in three main areas in DDP 2:

- (a) Deepening decentralisation through Component 1, CPPB
- (b) Addressing gaps that had become apparent in phase 1 DDP 1 through Components 2 and 3 – LRE and GM,
- (c) Piloting in new areas beyond UNCDF's conventional scope of LDFs (through Component 4 – Strengthening LCCs, and Components 2 and 3 to some extent).

These issues were covered at length in the Project Concept Paper (p.31) on whether UNCDF should exit or remain in Uganda after the successful DDP 1 and LGDP replication. It is therefore useful to recap, reaffirm or otherwise the “compelling” or strategic reasons for UNCDF to remain in Uganda.

- (a) Greater potential for upstream Policy impact in new emerging areas resulting from policy changes
- (b) Challenges of downstream institutional development and capacity building widening and deepening areas of local governance
- (c) UNCDF having attained such credibility among donors, government and local governments has the capacity for upstream and downstream challenges
- (d) For UNCDF nothing brings more success than success itself and therefore remaining in Uganda forms better launch pad for the future of UNCDF programmes worldwide.

With benefit of hindsight, are these reasons still “compelling”? If so, why? UNCDF has experience in other countries where piloting has been successful and questions have been raised on the logic and justification for second phase of piloting such as DDP 2. It is also logical to ask in the same breath whether there should be a third phase pilot.

UNCDF has created for itself a niche in piloting systems and procedures in decentralisation and local governance in Uganda that has been accepted by the Government, multilateral and bilateral donors, local governments and NGOs. The credibility of and trust in UNCDF is high. UNCDF needs to maintain that strategic positioning in Uganda. Through that comparative advantage, credibility and trust, partnerships have been forged more easily with other donors during DDP 2. Such comparative advantage and strategic position makes it easy to further pilot. On the basis of these arguments, there is therefore still compelling reason for continued work in Uganda or elsewhere where pilots have been successful.

The other question is related to whether UNCDF has comparative advantage in moving into “new” non-traditional areas for the organisation, in this case three of the components: local revenue enhancement, gender mainstreaming and strengthening local justice in view of the fact that under DDP 1 80 percent of resource commitments went to the Local Development Fund (LDF), which funded basic social service and infrastructure investments. What is new in these new areas is that they did not exist in UNCDF's “toolkit” but certainly exist as issues relevant to local governance and decentralisation. As an organisation involved in research and development, exploring the depth and breadth of one's niche is essential for consolidation and continued existence. Poverty eradication is essentially a depth issue in local governance. Issues of gender mainstreaming, local justice, micro-finance, and local economic development touch the individual and their households and eventually local governance. UNCDF's ability to deepen its research and piloting agenda may be key to its survival and continued relevance. Local governance and local justice are emerging relevant and pertinent issues especially in Africa and Asia. UNCDF can be a leader in these key areas. UNCDF could be able to link with many bilateral and multilateral agencies on these emerging issues. UNCDF's move into phase 2 pilots is necessary guided by the issues of credibility, comparative advantage, depth and breadth of local governance and strategic positioning.

What are the conditions under which phase 2 interventions make sense? The purpose of phase 2 interventions goes beyond simply piloting. There should be a demand for UNCDF intervention by the stakeholders, especially central government. This demand is necessarily based on acceptability and credibility of UNCDF among the stakeholders. As highlighted in the Project Concept paper, there should be potential for partnership with other actors. Phase 2 interventions must have a different implementation approach where project execution is institutionalised among the national or local actors with support from UNCDF for backstopping. There must be a clear linkage between the Phase 2 pilots with another larger local governance programme (e.g. LGDP) destined to take up lessons from the experience. A clear exit strategy must be in place for the duration of the intervention. Second generation pilots must of necessity have policy, legal and regulatory outputs as major components in addition to institutional outputs. Phase 2 pilots must be housed within the national institution responsible for oversight on LGs and with the mandate to link with sister departments of government.

The broader lessons learnt from the Phase 2 intervention in Uganda include the following:

- (a) There is scope for phase 2 interventions in countries where success has been recorded and where there is demand for further piloting.
- (b) Partnerships are possible with a variety of donors and multilateral agencies.
- (c) UNCDF occupies a special place especially in the era of Sector Wide Approaches (SWAs) as one accepted/understood/action-oriented multilateral agency by both central government, donors, and local governments in carrying out pilot projects. Apparently both bilateral and multilateral agencies require lessons of experience based on local level pilots for them to inform policy. As governments push for basket funding, UNCDF can continue to offer that special service of research and development through pilots in a variety of demanded areas.

Recommendations

From DDP 2 experience so far, UNCDF should continue to go into phase 2 pilots when so demanded by the hosts and where UNCDF has the expertise and can find partners to pilot with. It is not advisable for UNCDF to leave a country after a successful phase 1 pilot as this is fraught with risks of unexpected challenges that could threaten the successes.

Phase 2 pilots must necessarily be based on existing institutions in order to ensure sustainability of outputs.

Phase 2 pilots must be based on explicit partnerships with other donors.

CHAPTER FOUR

PROJECT IMPLEMENTATION

4.1 IMPLEMENTATION PERFORMANCE

This section analyses the implementation performance of the Project based on the Annual Work Plan versus the financial performance as well as the performance indicators. The DDP 2 started in October 2002. There has been some progress in all the four components with some making much more progress than others. Chapter 2 has already highlighted the performance of the Components against planned activities and indicators. This Chapter focuses mainly on an analysis of the implementation mode i.e. the variables within the project's control that affect achievement of outputs and outcomes.

4.1.1 Changes in the mode of implementation compared with the project document.

The Annual Work Plans detail specific activities to be undertaken during the three years and within each quarter in a year. There have been some minor changes in the mode of implementation. The first has been related to timing of implementation. Many activities (?) have had a delayed start due to the need to put in place implementation processes and disbursement procedures. The first amount was disbursed end of March 2003, the second in September 2003 and the last in October 2003 (also in August 2004). Other than PCU expenditures, the only transfer before October/ November 2003 was to the LRE (LGFC) Component 2 at the end of April 2003. All other Component expenditures were after October and November 2003 with funds carried over from Year 1 to Year 2. Table 8 illustrates the disbursements by component in Uganda Shillings. The amounts disbursed by UNCDF were half of what had been stated in the project document: a total of US\$650,000 by beginning of August 2004 was disbursed as against the planned and approved amount of US\$1.2million.

4.1.2 Activities and outputs identified in the Project Operational Plan (POP): still realistic in the remaining project period?

Considering the constraints of time, reduced resource envelope, and capacity constraints within some Component Management, some activities may not be completed within the time left. Others can only be completed if special arrangements are made for speeding up/guiding implementation in a specific manner. Some components may need to be adjusted in their implementation mode to achieve their objectives especially in the LRE, Gender Mainstreaming and CPPB components.

While up scaling is already prescribed through LGDP 2, there have been a few problems in the mechanisms for up-scaling. One main issue relates to documentation of lessons learned and communication of lessons to LGDP 2.

Recommendations

Documentation of lessons learned and their communication to LGDP 2 should be a focus of DDP 2 work through the remainder of the project implementation.

Table 8: Resource Disbursement Table

Intermediate Objective Areas	Total IPF (UNCDF) US \$	Total IPF (Co-Funding) US \$	Overall Indicative Amount per Component \$	Indicative Amount for 2002	Amount Disbursed in 2002	Indicative Amounts for 2003 ¹	Amount approved in 2003	Indicative Amount for 2004 (See Prodoc)	Amounts approved for 2004 ²	Total amount disbursed to date ³
CPPB	650,000		650,000	-	-	239,000	143,000	166,000	110,000	110,762
LRE	1,000,000	DFID: 300,000 ⁴ DANIDA: 220,000 ⁵ + 80,000	1,520,000 +80,000 (1,600,000)	300,000 ⁶	157,227	491,000	388,000	435,000	260,000	578,924 ⁷
GM ⁸	300,000	JWIDF: 300,000	300,000+300,000 (600,000)	-	-	85,000+ 188,006 ⁹ (273,000)	176,000	50,000+ 137,000 ¹⁰	308,000 ¹¹	165,763
LCC	340,000	UNDP/TF: 100,000 ¹²	440,000	-	-	220,000	25,000+ 100,000 ¹³	120,000	150,000 ¹⁴	125,000
UNCDF HQ Mission Costs	265,000		265,000	-	-	90,000	12,000 ¹⁵	135,000	TBC	125,445
Programme Support to Institutions	260,000		260,000	-	-	162,000	TBC	155,000	TBC	99,214
PMU Agency Support Costs				-	-	100,000	89,500	100,000	100,000	89,214
GoU in Kind				-	-					
Total	3,150,000	620,000	4,025,000	300,000	157,227	1,355,000	871,500+	1,298,000	928,000+	1,294,322

¹ (See ProDoc – added across and for LRE, it is an overall total.

² Due to Atlas delays the 2004 disbursements have been effected in August 2004. So, the total disbursements reflect only the 2003 figures.

³ The annual average rate of US \$ 1 = UG Shs. 1,850 has been applied.

⁴ All the DFID funds were disbursed in 2002 for LRE pre-cursor activities.

⁵ Danida offered additional US \$ 80,000 to the Programme (Activity specific) for this year

⁶ Actually receipts are less COA

⁷ This figure includes the entire DFID resources (\$300,000 less COA)

⁸ Japan Women in Trust Fund offered US \$ 300,000 to implement targeted activities of gender planning and budgeting.

⁹ This is from the Japan Women in Trust Fund.

¹⁰ This is Japan Women in Trust Fund which is discrete in use

¹¹ This figure though over and above the planned indicative figure, draws extra budget from UNCDF unexpended funds

¹² UNDP Governance Trust Funds were disbursed through Ministry of Finance, Planning & Economic Development.

¹³ This figure is the UNDP Governance Trust Fund

¹⁴ Budget over and above the indicative planned figure, because out of UNCDF total of \$340,000 only \$25,000 was used. In actual fact, UNCDF balance of resources for LC Courts is \$ 165,000, which if available can be used to fund next years activities

¹⁵ (In addition to US\$89,150 approved for Mission costs for 2002.)

4.2 INPUT DELIVERY

4.2.1 Delivery of project inputs and implementation of project processes versus the planned inputs and processes, describing the procedures, activities, and timing, covering formulation, inception and implementation phases.

DDP 2 funds for the project were channelled from UNCDF to UNDP Kampala then disbursed to the PCU before further disbursement to the Components. The DFID and DANIDA co-funding contributions were channelled through UNCDF and followed similar channels. The UNDP funds were disbursed through the MOFPED. The JWIDF funds were disbursed through a special account with special reporting requirements. The DFID funds were received in 2002 and filled a gap for start-up activities as funds from UNCDF and other donors were still being awaited. All the DfID funds were disbursed in 2002 for LRE pre-cursor activities. Of the total amount of LRE funds US\$157,000 was disbursed in 2002. The UNCDF budget for 2003 was roughly \$500,000, of which approximately 75% was disbursed.

Regarding the disbursements, all DFID and DANIDA resources, though activity based/earmarked went through UNCDF/UNDP and therefore followed the normal disbursement channel to the Component Managers. JWIDF resources also followed the same route though the Japan Government, for audit purposes, set a condition that they want their resources in a separate account both in PCU and MOGLSD. Reporting arrangements as well as accountability are therefore activity specific. For instance, at one time, funds were provided from DANIDA for Regional Workshops on LRE which was accounted for by the LGFC together with a Workshop report. For JWIDF, accounting is specific since a separate account is opened for these funds.

To date, DDP 2 has received resources which it has accounted to the donors. In total co-funding partners are contributing a total of US\$1,000,000. This accounts for 25 percent of total project costs. Of this US\$765,000 or 76.5 per cent of commitments, has been disbursed. UNCDF with 75 percent of total budget has only disbursed about US\$ 500,000 or less than 50 % of requirements in terms of the Budget. The overall total from DANIDA is made up of Project Document Commitment figure of US\$220,000 plus an activity based amount of US\$80,000. The new total DANIDA contribution is therefore US\$300,000. Of this total amount US\$160,000 has been disbursed from the Project Document commitment as well as the US\$80,000 activity specific amount.

JWIDF committed \$300,000 of which \$125,000 has been disbursed, to implement targeted activities of gender planning and budgeting at the decentralised level. The UNDP Governance Trust Funds total of US\$100,000 was disbursed through MOFPED. Out of UNCDF total of \$340,000 for the LCC Component only \$25,000 was used. UNCDF's balance of resources for LC Courts is \$165,000, which if available, can be used to fund outstanding selected activities even though the Component activities are due for termination in 2004.

4.2.2 Effect of budget cuts and delays in disbursement on implementation of activities in the Gender Mainstreaming Component.

Overall budget revisions and budget cuts have had two effects on the implementation of DDP 2. First it has distorted the planned outputs and activities in that these have had to be reduced in numbers and amounts. For the Gender Mainstreaming component it has meant a reduction in the number of GM workshops and follow-up in the districts. This has thus increased the demand for more in-depth GM training for the district technical planning teams. Second, once budgets are likely to be cut, the planners reduce the importance they give to a project as they are no longer in charge or are no longer in control of the variables.

4.3 PROJECT MANAGEMENT AND SYSTEMS PERFORMANCE

4.3.1 DDP 2 overall performance, economic efficiency, equity, transparency, timeliness, participation and effective management

Component Managers at the central level implement the DDP 2 activities at the LG and LLG levels, holding workshops with LG TPC and Sub-County Technical committee representatives. The MOGLSD officials from the Gender Department, LGFC and PPD officials conduct HLG training workshops in the respective pilot districts. Activities at the LG level belong to the different Components. In order to be more cost effective and efficient, the different Components could organise joint training sessions for the HLG and LLG technical personnel and executives. While it is appreciated that the DDP 2 is largely to design mechanisms, operationally, for replication such a coordinated approach at the local level would assist in reducing costs and maximising impacts.

4.3.2 Assess factors, both internal and external to the projects that contributed to or limited synergy and complementarity

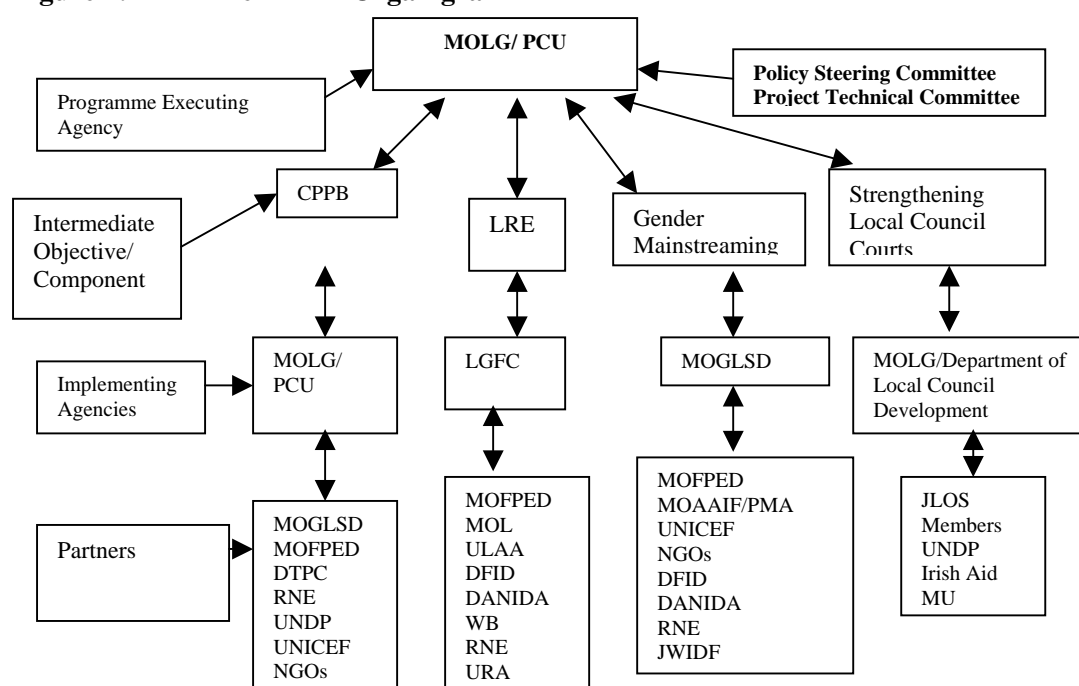
There were however some positive and negative factors that contributed to synergy and complementarity or lack of. Positive factors internal to the project contributing to synergy and complementarity include the management arrangements that bring both DDP 2 and LGDP 2 under the PCU and both under the MOLG. This has reduced conflicts and confusion. Internal factors that have contributed to lack of synergy and complementarity include the question of components in the DDP 2. In a small way components are not very linked in their operations especially at the local level. External factors that have contributed to synergy include the decentralisation policy framework and the LG Acts as well as the fiscal decentralisation strategy. These have ensured that the goal of activities is linked to good local governance.

4.4 IMPLEMENTATION ARRANGEMENTS

4.4.1 Project set-up (organigram) and the extent to which it is suitable for the project

The derived Development Objective of DDP 2 is in short “improved high quality local governance practised by HLGs and LLGs”. The Project Organigram sets up an institutionalisation process within Government of Uganda structures and legal framework. The DDP 2 implementation process is definitely integrated in the systems and procedures at the national organisational level. Institutionalisation of the piloting within the national framework was a means towards improving high quality governance systems and procedures at the local level. The project had therefore that specific purpose at the central level. The horizontal link is through MOLG (and PCU) as coordinator and executing agency of the process and overall supervisor of all local governments in the country. It was however raised at the Debriefing Stakeholders meeting on 2 September 2004, that the Gender Mainstreaming component should actually run through all the other three components. Planning and budgeting is closely related to local revenue enhancement in much the same way as planning and budgeting is in local council courts as non payment of graduated tax or other dues or accountability must necessarily be issues for local justice systems. The key actors of most of these components are the same.

Figure 2: The DDP 2 Organigram



Source: Project Document

4.4.2 Respective roles and responsibilities of, and the coordination mechanism between, the PCU, the PTC, PSC and UNDP/UNCDF Kampala and UNCDF HQ.

The DDP 2 programme is under the overall management of the PCU under a Coordinator that is also responsible for managing the LGDP 2. LGDP 2 pays PCU salaries. UNCDF provides some support funds for operations. One staff member's wages are paid out of UNCDF funds. The PCU is gradually being mainstreamed into the MOLG. The DDP 2 policy oversight responsibility is the PSC comprising Permanent Secretaries of MOLG, MOFPED, MOGLSD, and MOJCA. A PTC chaired by MOLG with PCU as Secretariat meets quarterly and comprises representatives from various ministries, donors, representatives from pilot districts, NGO Forum, and LRECC. A Gender Mainstreaming Task Force also exists. The Component Managers and PCU hold DDP 2 regular monthly meetings. Outputs from these meetings are presented to the PTC.

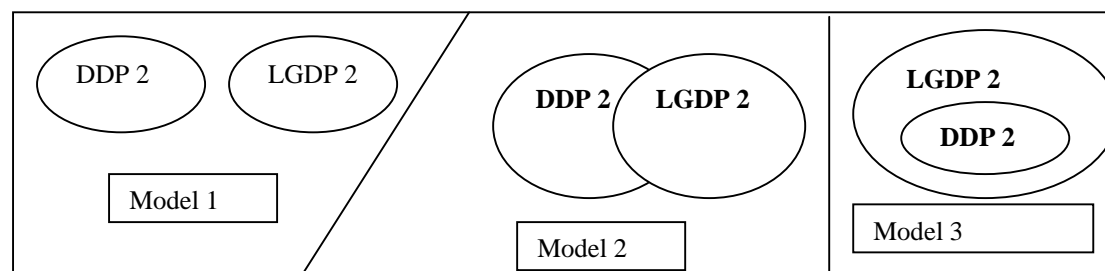
PCU management of both LGDP 2 and DDP 2 has the advantage of reducing institutional conflict and promoting synergy in operations leading to better up scaling and replication. There is however one main problem of limited chances for capturing lessons as the doing mode tends to take precedence. One arm (the DDP 2) is the *Research and Development* division whilst the LGDP 2 is the Operations Division. Capturing issues from R&D to Operations needs to be managed properly. The PCU has not been documenting lessons from DDP 2 mechanisms under the pilots. The *learning and doing modes* were joined creating some problems to reflection and learning.

4.4.3 Implementation arrangements of DDP 2 overall and how they relate to LGDP 2

Implementation arrangements for DDP 2 are based on a work plan based on the POP prepared by each component manager and agreed to with the PCU in the monthly meetings, and approved by the PTC and UNCDF based on the approved budget. District staff participate in annual work planning). Each Component Manager implements as per plan within four main budget lines: National Professional costs for consultancies to produce papers and documents;

training (group training and in-service training), conferences and meetings, equipment purchases, and programme support costs to the PCU.

Figure 3: Three Possible Scenarios of linkages between DDP 2 and LGDP 2



The three models illustrated above show the possible scenarios between DDP 2 and LGDP 2. Model 1 illustrates two completely separate programmes with separate units. This is not applicable to the DDP2 and LGDP 2. Model 2 illustrates what was happening with DDP 1 and LGDP 1. The two programs fed into each other with one PMU. Lessons from one were replicable in the other. The third model seems to be what is happening now between LGDP 2 and DDP 2 especially in the PTC meetings. DDP 2 is subsumed within the LGDP 2. There are advantages with the third model currently in use. The Joint PTC provided a good forum for sharing DDP 2 experiences and it is reported that the other LGs appreciated this sharing of experiences. The implementing agencies, i.e. Component managers had an opportunity to link with many LGs and share lessons and experiences. Joint PTC can be most beneficial if documented lessons are presented to the PTC for discussions and recommendations. Each component has tasks under each budget line in the same six pilot districts. Each component implements its own tasks unconnected to the others be they training, conferences and meetings; budgets are largely controlled at the national level save for the LCC which disburses to Local Governments for use in LCC training. While the Component Managers coordinate through the PCU Coordinator's monthly meetings, there is no such forum for discussions at the Local Government level.

There are currently no clearly stated linkages between the implementation arrangements of the DDP 2 and the LGDP 2. There is an understanding that some outputs from the DDP 2 especially in terms of CPPB and LRE and some from Gender Mainstreaming will be up scaled and rolled out through the LGDP 2. For example plans are already afoot to roll out HPPGs to all local governments in Uganda based on the tested and refined HPPG in the pilot districts. The testing and refinement under DDP 2 has not yet been completed but roll out will continue all the same. The LRE outputs are ready for further testing under the LRE Component 4 of the LGDP 2 especially the action plan for local revenue enhancement prepared by the pilot districts possibly using the funds under LGDP 2. This awaits policy decision and approval by the Policy Steering Committee. The linkage between DDP 2 and LGDP 2 however needs to be clarified for operationalisation.

4.4.4 Options available and the current implementation arrangements reflecting phasing out of PCU in next phase of LGDP and UNDP implementation arrangements

The PCU is scheduled for closure with its functions mainstreamed into MOLG activities. The mainstreaming effort has already begun that by 2006, fifty percent of the PCU staff should be phased out. The PCU no longer has the semi autonomous "one-stop-shop" previously held role in LGDP1. PCU officers have been assigned to work with specific MOLG departments or divisions on both LGDP 2 and DDP 2 components. The current arrangements are such that UNDP is the main conduit of funds from UNCDF to PCU. UNDP disburses its own funds for the LCC component through the MOFPED which in turn transfers to PCU in MOLG. All other UNCDF are transferred from UNDP to PCU directly. Even under the LGDP funds are finally transferred to LGs through the PCU. In the absence of the PCU, how will funds be

transferred to either the Component managers or the LGs? The one main option is the FDS framework where all transfers follow a certain process and the MOFPED disburses direct to the LGs through the MOLG who then publishes the transferred amounts.

4.5 MANAGEMENT ISSUES

4.5.1 Overall effectiveness of project management; i.e. quality of work planning, supervision of staff outputs, staff performance appraisal and feedback, competency, development planning, management style, management-staff relations

The MTE was not able to assess some aspects of project management e.g. staff appraisals etc due to limited time. A combination of factors has contributed to the nature of effectiveness of project management. PCU is made up of very able and experienced personnel led by the Coordinator who have managed DDP 1, LGDP 1, DDP 2 and LGDP 2. The MOLG has vast experience of managing decentralisation and capacity building programmes. The level of interest among the Component managers is very high in planning, implementation and reporting. For example in 2004, three work plans were prepared before funds were received.

4.5.2 Accountability of project management to donors, government and other stakeholders, e.g. is there regular reporting and communication between project and stakeholders

The Project Document specifies procedures for accountability of the Project to donors, government and other stakeholders through the Project Technical Committee quarterly meetings and its presentation of quarterly reports. Donors specifically mentioned as part of the PTC include DfID, DANIDA, UNDP and UNCDF. In addition UNCDF is a member of Donor Groups such as the Donor Sub Group on Local Revenue Enhancement of which it is the Chair, the Justice Law and Order Sector, Donor Group on Decentralisation, Gender Mainstreaming donor Group through which specific issues are raised. All these meetings are taking place the DDP 2 has been accountable to donors, government and other stakeholders through the various forums and report presentations especially at the PTC meetings. However there have been expressed sentiments by some donors that a much smaller PTC or even the PSC would be ideal for closer accountability of the project to donors and other stakeholders.

4.6 CAPACITY ISSUES

4.6.1 Management capacity, competency and innovation in implementation of the projects

Competency and innovation are issues that focus on Component Managers and the direction they receive from the PCU members attached to the component. Management also takes into consideration the ability of the PCU in terms of giving direction to DDP 2 and keeping it within its objectives and ensuring that critical outputs are achieved.

All Component Managers, MOGLSD, Commissioner Local Council Development and Local Government Finance Commission have nevertheless managed their components with enthusiasm, competence and some degree of innovativeness. A problem was encountered with the CPPB which started with an officer with limited planning skills and therefore unclear of this role but required to manage such a critical component¹. This Component has not been managed well and reports have been queried by the other Component Managers. Moreover, the Component has had to request the LGFC to carry out part of their mandate in terms of FDS Manual training and follow up with Local Governments.

¹ After transfer, the PCU counterpart to the new Component manager has not been well.

4.6.2 Staff qualifications and its relation to/impact on the quality of the outputs produced.

Staff quality is related to the Component Management and the PCU. The MTE Team was unable to delve deep into this issue in detail though it was clear that both the PCU and Component managers were qualified for their tasks and are quite capable. It was however expressed to the MTE Team that at one point the CPPB Component Management was not appropriately qualified for the task hence delayed start and slow pace of implementation.

4.7 PROCEDURES AND SYSTEMS

4.7.1 Quality (adequacy) of the project financial, HR management, contracting and procurement procedures and documents and forms developed

As highlighted in the Informal Evaluation report, the MTE Team had difficulty in accessing PCU reports and details on their operations especially in terms of reports. This section was therefore not assessed in detail.

4.7.2 Financial Management and Procurement issues, and the flow of funds

Table 9 shows the disbursement of funds from the PCU to the Component Managers by amount (in Uganda Shillings) and dates from 2003 to 2004. The disbursements from UNCDF to the PCU via UNDP Kampala were effected through four transfers in March, September and October 2003. The fourth transfer was in August 2004 when the MTE Mission was already in the country. Transfers from the PCU to component managers followed requests from the particular Component Manager. Annex 8 shows a schedule of the transfers over the two years. In summary, the first transfers were made in April and May 2003 to two components: LRE and Gender Mainstreaming. The next transfers were between September and November 2003 for all four Components with most to LRE. A substantial amount was also transferred to CPPB and the Gender Mainstreaming Components in early 2004.

Table 9: Disbursements from UNCDF to PCU

Date	Disbursement To	Disbursement From	Amount UG. Shillings
26/03/03	PCU	UNCDF	330,291,500
10/09/03	PCU	UNCDF	677,272,860
03/10/03	PCU	UNCDF	252,160,000
Total Receipts for 2003 AUGUST 2004	PCU	UNCDF	1,259,724,360 US\$560,000

Source: PCU Report

Procurement under the DDP 2 is in two areas: procurement of equipment and procurement of services. Three approaches were used in the project. The project used faster UN system procurement for vehicle and equipment for training for the PPD. The second is procurement using GoU tender procedures under the MOLG and MOGLSD. The third works for purchases under the PCU which uses World Bank Procurement procedures. All have their advantages and disadvantages. The UNCDF procurement system was chosen for its speed. The GoU system is familiar to component managers. The WB system is the one used by the PCU (based on LGDP experience) with a particular procurement staff member to assist with the complex procedures. The PCU uses the World Bank funded LGDP 2 procurement procedures requiring specific steps i.e. National, International, Competitive Bidding, press advertisements and days required before closure, opening of tenders and adjudication procedures. When these requirements have been met, for example for gender mainstreaming, these are adjudicated under the PCU system that is under the MOLG before the short list is submitted to the MOGLSD for final selection. A short cut has been used in certain purchases such as vehicles and equipment through using the UNCDF to make direct purchases as well as through the PCU.

4.7.3 Major bottlenecks with component budget envelopes, disbursements, accountability and mitigation

The major bottlenecks with component budget envelopes include: the staff shortages in some components, the size and the cuts in allocation versus the budget and actual disbursement, delays in the disbursements from UNCDF; the requirements to plan according to new approved budget which may not necessarily tally with the actual disbursements; different routes in which some funds are disbursed and the specific reporting requirements for different donors.

The CPPB is managed under the PCU. The LRE component is managed under the LGFC account and procedures follow LGFC procurement procedures. The Gender Mainstreaming Component funds are transferred to the Ministry's account but for purchases or procurement, these must follow the PCU/LGDP 2 procedures. The bottlenecks at the beginning were largely due to the inexperience of component managers as well as delays in the release of funds. Later bottlenecks were also experienced from procurement procedures particularly within the GM Component.

4.7.4 Planning and reporting systems

The project planning system is based on work plan preparation based on the POP. Reports are prepared by the Central agencies for the PCU. The PCU has the requisite capacity to prepare Reports in terms of the Management Information System installed. Such a process will ensure that progress can be monitored more effectively.

4.8 MONITORING AND EVALUATION

4.8.1 Status and effectiveness of the project Monitoring and Evaluation system

The MTE mission ascertained the presence of a systematic monitoring and evaluation system for the project in terms of the indicators being used to measure progress. The MIS is able to produce some narrative and statistical data on outputs. The PCU is very much involved in LGDP 2 and its requirements. There is certainly capacity in PCU for effective monitoring and evaluation.

4.8.2 Strengths and weaknesses of the current monitoring and evaluation system with a view to its contribution to improved service delivery, and learning from experiences and best practices.

The current monitoring and evaluation system is somehow weak in that there has been very limited follow up on lessons learned documented, discussed and acted upon. The monthly meetings of the PCU and Component managers address implementation issues. No component has specifically focused on drawing lessons from experience and many await the outputs from this evaluation in order to assess their own performance. This is one of the weakest areas of the DDP 2.

CHAPTER FIVE

CRITICAL ISSUES

5.1 INSTITUTIONALISATION AND SUSTAINABILITY OF THE DDP 2 ACTIVITIES

There are a number of critical issues identified for special attention. They are not presented in order of priority.

5.1.1 DDP 2 killing two birds with one stone: piloting and replication in one swoop

DDP 2 is a capacity building project with no tangible physical outputs. The intention of the project is to come up with mechanisms for deepening decentralisation and improving quality of service delivery by local councils. The pilot districts in DDP 2 are used by institutions responsible for policy development and standards monitoring as Component managers to test those mechanisms before wider application through the LGDP 2 or through legal frameworks. The components are deliberately not placed within local governments as under the DDP 1 because the onus is on central level agencies to chart the deepening exercise before replication. The Project Concept Paper captured the thrust of DDP 2 as “future programme activities aiming not only to achieve impact on poverty and local governance in the geographic areas of operations but must also have potential to influence the development of national policy for good local governance”. Hence the idea of killing two birds with one stone: piloting and replication potential by central level agencies with the policy, legislative and regulatory powers. The question of piloting and replication within the same project is a new innovative approach that needs to be documented further as a lesson for other new programmes. This is only possible where there is institutionalisation of processes within existing country frameworks.

5.1.2 Institutional issues in the management of testing and learning under DDP 2

Piloting requires adequate testing and learning for replication. While component managers made every effort to test activities in the pilot districts, there was no focal point in the PCU to actually ensure learning and documentation. There is a need to revisit the way DDP 2 activities are implemented, monitored and reported and evaluated for up scaling and replication. A Director from the MOLG, who coordinates all departments in the MOLG, appropriately chairs the PTC.

Recommendation

There is need for quarterly meetings of DDP 2 chaired by the Director focusing specifically on DDP 2 with the participation of Pilot Districts to inform the process. The Report from these meetings should then be included in the larger LGDP 2 PTC meetings with special emphasis on the lessons learnt for wider consumption and later replication in a kind of learning by doing process.

5.1.3 Financing DDP 2 for results that can be up scaled

DDP 2 has been financed through 'basket' funds from UNCDF, DFID, DANIDA, UNDP, JWIDF, Royal Netherlands Embassy and the Government of Uganda. All have contributed various amounts in what can be described as a vote of confidence in the coordination of project processes and the funds by UNCDF. The future of DDP 2 or the process of piloting and replication in decentralisation will to a large extent depend on this kind of collaborative arrangement. Even if UNCDF does not have adequate funding, other donors could contribute based on the credibility of UNCDF to facilitate the project piloting and documentation of lessons learnt.

Funding the refocused DDP 2 will require additional resources which the MTE Team is of the view could be provided through the collaborative arrangements of donors in the various groupings, for example on the Donor Group on Decentralisation, JLOS, Sub Group on Gender, and Sub Group on Local Revenue Enhancement (incidentally chaired by UNCDF).

Recommendation

There is a need for the Component Managers under the PCU to come up with a Work Plan based on recommendations in this Report itemising the activities, time frame and costs and shortfalls based on the approved budgets from UNCDF and balances from other donors. The Donor Sub Groups should then discuss on the particular aspects.

5.1.4 Timing and completion of DDP 2

DDP 2 was scheduled to start in October 2002. However funds were effectively disbursed from UNCDF in September 2003 thereby taking a year off the project. Additionally, the budget was revised downwards thereby impacting on what could be carried out within the reduced time. Apart from the LCC component that is due for completion this year (2004), other components still have some way to go in order to generate the lessons of experiences to be evaluated and up scaled and replicated.

Recommendation

There is need to extend the implementation period for a year beyond the 2005 deadline of the project in order to ensure effectiveness of the HPPG and drawing of lessons for planning and budgeting as well as improving revenue mobilisation and generation by local governments.

5.1.5 LCC Success, Lessons and Up Scaling efforts

There are some critical issues in the LCC Component emerging from the process which need immediate attention. These issues relate to the players in the Local Council Courts. The MOGLSD is responsible for legal statutes dealing with children but it does not have the capacity to handle children's issues. The Vice Chairperson in LC 1 has responsibility for Children but without clear linkages with the relevant Ministry. Land issues are prevalent in LCCs. However these are within the ambit of the Ministry of Lands. The Ministry has indicated that it does not have the capacity to handle land dispute cases and has in turn requested LCCs under MOLG to continue to handle them. Another aspect relates to the current Domestic Relations Bill in Parliament. Human Rights Commission issues are under the Human Rights Commission but they too have no capacity and issues are left to be handled by the LC 1. The experience from Mukono District is that Magistrates courts are now referring community service to the LC1. LCCs at LC 1 are not trained to supervise community service. These various issues show the limited capacity in the various departments and also lack of coordination.

Recommendation

Even though the DDP 2 LCC component is coming to an end, these lessons of experience and new emerging challenges call for broad discussions and close collaboration and charting of a way forward. It is therefore recommended that the various actors including the JLOS donor group, coordinated by the Commissioner responsible for Local Councils Development sit down to chart away forward for both replication and further testing of mechanisms for inclusion of these other emerging specific issues.

5.1.6 DDP 2, LRE and future of Decentralisation

The central theme of deepening decentralisation as embedded in DDP 2, is a litmus test for

the scale of decentralisation in Uganda. The planned review of decentralisation will invariably point at the issues the DDP 2 is addressing. It is therefore critical that completion of the DDP 2 process be done properly in order to yield appropriate lessons for replication.

5.2 OPERATIONAL CAPACITY

5.2.1 Capacity and efficiency of the Government to manage the project

Decentralisation has reduced the size of central government departments at the central levels. The central level is supposed to concentrate on policy guidance, quality control and standards monitoring. Central government agencies are no longer expected to manage projects directly. In place of government departments managing projects Project Management or Coordination Units ought to be set up in these Ministries.

In general therefore the DDP 2 is coordinated by the PCU who are mainstreaming into the Ministry of Local Government. The Departments in the MOLG state that they are very short staffed to carry out these mainstreamed functions i.e. Policy and Planning Division and the Commissioner Inspectorate are not well equipped. The same applies to the Commissioner for Local Councils Development where there are only four people in the Department for the whole country. There are only six members of staff in the Gender Department of the MOGLSD and it was repeatedly pointed out to the Mission that the staff is inadequate for the country responsibility.

5.2.2 Suitability and availability of staff in beneficiary institutions, and their motivation

The Mission was only able to assess on the basis of the performance of the staff including their motivation and hence suitability. What emerged was that for three of the components, LRE, Gender Mainstreaming and Local Council Courts, the staff were definitely suitable, available (considering they have other pressing duties) and motivated to do their tasks. The PPD is the division that expressed extreme pressure of work and they are too thin on the ground having had a late start as the previous PPD head was not suited to the task (he was not a planner by profession but an Information Technology expert).

5.3 PARTNERSHIPS AND COORDINATION ROLE OF THE PROJECT

5.3.1 Nature and quality of the partnerships the project has forged with local actors

DDP 2 has continued from where DDP 1 left off leading to LGDP 1 and 2 in terms of up scaling and replication as well as through the institutionalisation of processes such as the annual performance assessments, minimum conditions and performance indicators. Through these previous efforts, UNCDF has therefore created a niche for piloting innovative processes for replication by government and other donors. DDP 2 has therefore continued in that mode which has been accepted by government, donors and other civil society organisations in the project districts as well. A voluntary and deep relationship has been created between the project and stakeholders based largely on the value/substance of the ideas being piloted and the manner these are done, through active involvement and consultations. This forged partnership apparently revolves around UNCDF capacity to link and market itself as well as the quality of technical advice from time to time since DDP 1. Some partners have suggested that the MOLG should “mainstream” this function of linking with these partners through a specific Project Technical Committee.

Recommendation

Whilst there are different donor groups following the different components, a more formal broader group chaired by the MOLG is a necessity. It is recommended that the Chairman of

the PTC hold a quarterly meeting of partners including donor group representatives to review pilots and lessons learnt with a view to mobilising resources for further required tasks.

5.3.2 Effectiveness of the coordination role the project plays in aligning the efforts of different players towards the project objectives.

DDP 2 has played a very useful role in aligning efforts of different players towards the project objectives. The four components have had impacts on other actors in different ways and degrees. The most effective in aligning other actors have been the LRE Component which through the LGFC and the LRECC have managed to bring together thinking and actions towards local revenue enhancement. The World Bank and Property Tax issues (projects?), USAID pilot in Entebbe Municipality, Uganda revenue Authority, MOFPED, DFID, ULAA, UAAU, and SNV in studies to measure impact of GT suspension on local governments. Under the CPPB, EU has made a commitment to inject from next year \$2.3 million to support the dissemination and use of HPPG at the lower local government level in the 10 pilot districts.

The Local Council Courts component has managed to bring together a number of players including the Judiciary, Ministries of GLSD and Lands, JLOS and the donor sub-group. There are now concerted efforts at finding out better ways for coordination and for further donor assistance to replicate processes initiated in the pilot districts countrywide. So far the sector has attracted additional donor interest and received UGSh. 92.5 million, to print 50,000 copies of the LCC guidelines for distribution to each LCC in Uganda and a further UGSh. 119,843,070 to print 51,740 copies of the translated guides. The JLOS sector, building on the work undertaken under this component is extending support for training to districts that are not within DDP 2 and has so far released UGSh. 75M for this.

By managing the Gender component the MOGLSD has forged a number of new relationships with donors, NGOs and other Ministries such as the Ministry of Finance. The setting up of the Uganda Gender Forum (national level) and the District Gender Forums has been crucial in forging and or strengthening relationships. Similarly the setting up of the Gender Task force to assist the MOGLSD in reviewing inter alia a number of outputs has been equally effective. The MOGLSD has also been able to leverage additional support from donors to support activities of the GM component, for example, the Royal Netherlands Embassy provided the Training Manuals for Women Councillors. Moreover, the Gender Mainstreaming component has now helped establish gender focal points in Ministries and some local governments.

5.3.3 Potential to better utilize synergy, and build complementarities, with other on-going interventions, e.g. within LGDP II.

There is great potential in building synergies between DDP 2 and other programmes especially the LGDP 2. There is scope for LGDP 2 taking up issues from the CPPB and LRE components by up scaling efforts. There is also potential for LGDP 2 to actually ensure that Gender Mainstreaming is part of the Annual Assessments especially when Gender Mainstreaming Guidelines are in place and HPPGs have been distributed to all local governments.

Recommendation

It is recommended that use of Gender Mainstreaming guidelines and budgeting be included as part of annual assessments of Local Governments.

CHAPTER SIX

LESSONS AND BEST PRACTICES

6.1 POLICY LESSONS LEARNED TO BE DISCUSSED WITH THE CENTRAL GOVERNMENT AND OTHER PROJECT PARTNERS

There are a number of policy lessons learned during the first half of the implementation of DDP 2.

6.1.1 Enhancement of collaborative partnerships to support deepening decentralisation

As elaborated in the Project Concept Paper, DDP 2 was “designed so as to embody linkages with the country strategies and programme goals of key donor partners. Given the very limited funds and the necessarily small scale of future UNCDF operations, the programme must seek partners”. The collaboration and partnership among various stakeholders has made DDP 2 implementation possible. Future collaboration along the same lines is very possible and practicable as the framework still exists although it needs further developing. The PTC and donor sub groups on the various sectors and components do form the basis for future collaboration. UNDP and UNCDF need to cement this relationship and framework by encouraging more direct involvement of the Director in the Ministry of Local Government as a key link for collaborative efforts in decentralisation and enhancement of local governments.

6.1.2 Intergovernmental collaboration in support of deepening decentralisation and local governance

One of the important lessons learned during the life of DDP 2 is the emerging intergovernmental collaboration in working with local governments. The Fiscal Decentralisation Strategy (FDS) and the links between MOFPED and MOLG is a clear example of how different Ministries can work together in coming up with deepened decentralisation processes. The Gender Mainstreaming Component has also charted a new way of working between the MOGLSD and Local Governments by its collaboration with sister government Ministries. A framework is already emerging of creating beneficial relationships. The LCC has emerged as a framework for collaboration between the MOLG, MOGLSD, and the Judiciary and other government Ministries.

6.1.3 Innovative programmes of filling gaps identified in local revenue mobilisation

The LRE component has played a critical role in identifying areas for action in improving local revenue collection and mobilisation and suggesting best practices and guidelines for action for local governments. There is great desire/craving for knowledge about local revenue practices as well as information on experiences from other countries in the Africa Region. What is required is to put this knowledge into practice and to draw further lessons.

6.1.4 Innovative programme of gender mainstreaming nationally and at local government levels

A major lesson from DDP 2 is the filling of a gap in gender mainstreaming. Not many programmes have ever addressed this issue of gender in all national programmes. The Gender Mainstreaming Component is one replicable in other programmes and in other Countries as well. Documentation of the progress, processes and outcomes should form a wealth of knowledge for UNCDF and other partners. A toolkit on gender mainstreaming should be one output from DDP 2.

6.1.5 Deepening decentralisation through refinement of HPPG, Strategic Planning and FDS processes

The CPPB Component is a direct follow up to DDP 1 programmes especially in setting the stage for capacitating LLGs in inclusive planning and budgeting and in ensuring that HLGs participate in Fiscal Decentralisation Strategy formulation and discussions. This process of HPPG, FDS, Budget Framework Papers and gender mainstreaming form a powerful all inclusive toolkit for good local governance that is responsive to people's needs and that can be a method of addressing poverty through institutional reforms and processes. Documentation of the processes in CPPB, lessons learnt and outcomes can form a useful basis for up scaling and replication for UNCDF, GoU and partners as well.

6.1.6 Innovative programmes for strengthening administration of local justice

DDP 2 has extended local governance to include justice delivery. This is an innovative approach which has until now not featured much in local governance debates. The experiences from DDP 2 in local justice should be documented and lessons shared locally, nationally and regionally for policy dialogue and replication.

CHAPTER SEVEN

CONCLUSIONS AND KEY RECOMMENDATIONS

7.1 POLICY AND INSTITUTIONAL ISSUES

7.1.1 Overall Progress of DDP 2

DDP 2 started in October 2002. There has been reasonable progress in all the four components with some making much more progress than others. All components have been started and a total of 31 percent of original funds have been disbursed. The co-funding partners (DFID, DANIDA, UNDP and Japan Women in Development Trust Fund) have disbursed 75 percent of their contributions. UNCDF has disbursed 18 percent of the original commitment of US\$3 million.

7.1.2 Project Achieving Immediate and Development Objectives

The DDP 2 development goal suggested in this Review is poverty reduction through local development and *equitable and sustainable access to socio economic infrastructure and public services. The outcome, is high quality of local governance practiced by Higher Local Governments and Lower Local Governments*. The objectives can still be achieved as the project focus is to pilot, test systems, processes and procedures for high quality local governance systems which are all included in CPPB, LRE, GM and LCC. There is still capacity and time for some level of attainment of goals but this is only possible if conditions of timely fund release are met and adhered to.

7.1.3 Validity and Relevance of Project Objectives

DDP 2 is definitely addressing key strategic issues that require piloting and testing before replication. The issues being addressed in local level inclusive planning that helps address poverty, in local revenue enhancement, gender mainstreaming and in local council court all contribute to good accountable and transparent local governance. The structure is already in place for up scaling through the Component managers and LGDP 2. However, some work still needs to be done on all components during the remainder of the program period in order to ensure proper completion of the pilot testing and roll out.

Decentralization still remains and will remain a key government direction. The PMU still continues to have the capacity to support the work but the workload from the World Bank funded LGDP 2 is taking up more of their time compared to DDP 2. The issue of mainstreaming into the MOLG also has an impact on how the PCU operates and makes decisions. The MOLG is providing support to the program but with limitations on the functioning of the PSC. The support is still judged adequate and satisfactory. There is still continued donor interest and collaboration with apprehensions sometimes coming out of the evolving political environment. However, the continuing but evolving stable political and economic environment could significantly affect the environment that is conducive to goal achievement.

7.1.4 DDP 2 and LGDP 2: Clarity of Roles and Functions, PTC and PSC Roles

The DDP 2 programme is under the overall management of the Programme Coordination Unit. The PCU is also responsible for managing LGDP 2. The PCU staff salaries are wholly paid by LGDP 2 however with some support for some operations from UNCDF. The PCU is gradually being mainstreamed into the MOLG. The policy oversight responsibility for both Programs lies with the Policy Steering Committee comprising Permanent Secretaries of MOLG, MOFPED, MOGLSD, and MOJCA. A PTC comprises representatives from the above ministries, donors, representatives from pilot districts, NGO Forum, LRECC, and the

Gender Mainstreaming Task Force. At one meeting in January 2004 in Kabale 99 people attended.

This arrangement of the PTC has led to some problems in drawing implementation lessons from DDP 2 to LGDP 2. In management terms one arm (DDP 2) was supposed to be the Research and Development division with LGDP 2 as the Operations Division. Within the PCU, there was no specific “R & D” section looking at the testing under DDP 2. Officers responsible for LGDP 2 were also assigned DDP 2 responsibilities. The learning and doing modes were joined, presenting serious problems for reflection and learning before up scaling. There is limited documentation of lessons from DDP 2 for replication of lessons learnt and best practices.

7.1.5 Mainstreaming of PCU and DDP 2: Should it be mainstreamed into MOLG?

The PCU is scheduled for closure with its functions mainstreamed into the MOLG activities. The mainstreaming effort has already begun and the Team understands that by 2006, fifty percent of the PCU staff positions should be terminated. The PCU no longer has the semi-autonomous “one-stop-shop” role it had under LGDP 1. PCU officers have been assigned to work with specific MOLG departments or divisions on both LGDP 2 and DDP 2 components. Departments or divisions of MOLG are short staffed and have other responsibilities and programs in addition to DDP 2 functions. This has had some implications for the “driver” role for DDP 2.

7.1.6 Need for up scaling LRECC Outputs

The LRECC chaired by the LGFC has done tremendous work on LRE issues and these now need to be up scaled under LGDP 2 Component 4. LGDP 2 has a Component 4 also named LRE that is supposed to be coordinated through the LRECC. The LRE Component 4 of the LGDP 2 has five aspects: (i) Strengthening local revenue policies and legislation, (ii) Training of politicians and officials, (iii) Strengthening local revenue systems based on the best practices under DDP 2, (iv) Extension of Property Tax System, (v) Monitoring local government revenues. This is now an issue requiring PTC to bring to PSC for effectiveness. Linked to PSC consideration is a parallel need for MOLG to speed up the Revenue Desk establishment within the Inspectorate.

7.1.7 UNCDF Capitalisation

One of the major issues cited by the PCU and Component Managers is the arbitrary budget cuts by UNCDF as well as the late release of funds to implement components. As at time of the MTE, 31.9 percent of the Project budget had been disbursed half way through the project. Of this all the other co-funders (DfID, DANIDA, UNDP and JWIDF) had disbursed their contributions to the project. The MTE understands that a further \$540,000 was disbursed this August, the first since January 2004. Components funded solely by UNCDF have been more adversely affected.

The experience of DDP 1 and UNCDF’s commitment to the budget and efficient disbursement of funds is not lost on all the actors. There is therefore serious apprehension as to why UNCDF is cutting its budget and disbursing funds inconsistently. The UNCDF National Program Office has had to solicit for support among the other donors for bridging finance on some components. Unless the issue of UNCDF funding is categorically clarified and timely disbursements assured, there is a general feeling that the project is undercapitalised.

7.2 KEY RECOMMENDATIONS

7.2.1 Project Documentation of lessons learned

Management needs to be revamped in terms of focus, R & D roles, reporting, monitoring and evaluation. There should be a smaller PTC for DDP 2 and not a joint PTC meeting for LGDP 2 and DDP 2 (?check). The PCU must document more the lessons learned from DDP 2 to better feed into PTC meetings. There is also need for quarterly meetings of DDP 2 chaired by the Director focusing specifically on DDP 2 with the participation of Pilot Districts to inform the process. The Report from these meetings should then be included in the larger LGDP 2 PTC meetings with special emphasis on the lessons learnt for wider consumption and later replication in a kind of learning by doing process.

7.2.2 Policy Decision on Up Scaling LRECC Outputs to LGDP 2

The PTC should bring to the attention of the Policy Steering Committee the issue of up scaling lessons on LRE from DDP 2 to LGDP 2 Component 4. One of the benefits from scaling up will be availability of funding for LGs to implement best practices guidelines and work plans.

MOLG needs to urgently set up the Revenue Desk in the Inspectorate Department of MOLG. The members of this Revenue Desk should be part of the LRECC committee for the purposes of ensuring that the advisory and operational concerns in revenue enhancement are closely followed up by MOLG.

Performance measures and annual assessment of local governments by MOLG need to be revised to include use of best practices and guidelines.

7.2.3 UNCDF Capitalisation and Project Funding Options

UNCDF needs to clarify the funding issue to the partners with a view to, where necessary, seeking further co-funding from other donors in order to complete the piloting exercise. This should be done urgently by looking at all the possible options. Such commitment and efforts will require the continued active inputs of the Regional Technical Advisor and the National Programme Officer liaising with government, donors and local governments.

7.2.4 Extension of DDP 2 completion date

DDP 2 should be given two annual planning cycles starting with the 2004/5 to be assessed in August/September 2005 before the following year planning and budgeting cycle of 2005/6. It is therefore recommended that the project be extended by one year to accommodate these needs.

Recommendations: Project Preparation, Design and Relevance

The project development objective should be recast as follows: “*The attainment of high quality of local governance institutions, systems, programmes and operations in local governments (higher local governments and lower local governments)*”. The Project Log Frame should be reviewed accordingly.

From DDP 2 experience so far, UNCDF should continue to go into phase 2 pilots when so demanded by the hosts and where UNCDF has the expertise and can find partners to pilot with. It is not advisable for UNCDF to leave a country after a successful phase 1 pilot as this is fraught with risks of unexpected challenges that could threaten the successes. Phase 2 pilots must necessarily be based on existing institutions in order to ensure sustainability of

outputs. Phase 2 pilots must be based on explicit partnerships with other donors.

Project Implementation

Documentation of lessons learned and their communication to LGDP 2 should be a focus of DDP 2 work through the remainder of the project implementation.

There is need for quarterly meetings of DDP 2 chaired by the Director focusing specifically on DDP 2 with the participation of Pilot Districts to inform the process. The Report from these meetings should then be included in the larger LGDP 2 PTC meetings with special emphasis on the lessons learnt for wider consumption and later replication in a kind of learning by doing process.

There is a need for the Component Managers under the PCU to come up with a Work Plan based on recommendations in this Report itemising the activities, time frame and costs and shortfalls based on the approved budgets from UNCDF and balances from other donors. The Donor Sub Groups should then discuss on the particular aspects.

Whilst there are different donor groups following the different components, a more formal broader group chaired by the MOLG is a necessity. It is recommended that the Chairman of the PTC hold a quarterly meeting of partners including donor group representatives to review pilots and lessons learnt with a view to mobilising resources for further required tasks.

Specific Recommendations on Components

Component 1: CPPB

- Discussions must begin between MOLG, PCU, UNCDF and EU on use of allocated funds by EU.
- It is therefore recommended that there be a more focused follow up/refinement of the modalities of implementing the HPPG at the parish and village levels. The implementation of this output should also be decentralised to Planning Units of LGs with the Component managers supervising and documenting the process for replication. This can in the interim ease the staff shortage problems in the PPD.
- The LLGs should establish regular stakeholder meetings with CSOs and NGOs at the beginning, during and after HPPG tested for lessons and learning.
- After six months of implementation, PPD and UNDP must commission participatory documentation of lessons and experiences learned from both HPPG and PDM.

PTC to reallocate FDS and Communication strategy to LGFC. LGFC to prepare work plan on sub-components with Planning Units of LGs linked to HPPG, LRE and Gender mainstreaming

- It is recommended that the PPD together with LGFC prepare a framework paper that links the CPPB issues of strategic planning, budgeting, budget framework papers, fiscal decentralization and poverty reduction.
- The MTE recommends that FDS guideline preparation and testing support, and mechanisms for vertical and horizontal communication, transparency, accountability and reporting systems be transferred to the LGFC for implementation through direct

training or specific studies. Again it is also recommended that the role of LGs be increased in effecting FDS linkages with budgets at the LL Councils.

- The PPD must place in their work plan processes of implementing output targets from output 4. There is need to also establish regular stakeholder meetings with CSOs and NGOs at lower local governments.
- The 2005 work plan should include plans to draw lessons from the two projects, CPPB and PDM, at the three different levels. A clear direction on how that can be achieved should be given by UNDP, UNCDF and the MOLG. The three together with PCU should prepare a work plan to achieve this important output.

Component 2: LRE

- The Best Practices need to be distributed to all relevant stakeholders and possibly in vernacular. This will require additional resources. These resources must therefore be accessed from the LGDP 2.
- In view of the proposed suspension of GT, LGFC needs to revise the best practices and guidelines earlier than end of 2006/7 as envisaged in LGDP2.
- DDP 2 should allocate resources to LGFC for developing prototype cost benefit analysis modules on various best practices for adoption by LGs.
- The MOLG and its partners need to put in place measures to reduce impact of GT suspension on the functioning of Local Governments.
- The LGFC needs to start considering revision of the Best Practices in line with suspended GT. The MTE understands this process has already begun. It needs to be speeded up during DDP 2.
- The LGFC and LRECC should examine laws that need to be revised in line with the Best Practices and to put up a work plan to address these laws. The laws governing LRE need to be revised.
- The LGFC and LRECC should revise the baseline report to fill some visible gaps so that comparisons can be made in the future including baseline information on a set of indicators highlighted above.
- For institutionalisation of the implementation of the best practices by LGs it is necessary to develop an appropriate indicator for inclusion in the national assessment of the performance of local governments.
- The LRECC should examine the laws governing professional bodies so that they become harmonized with their tax obligations including licensing at the local governments where they operate.
- The LRECC and MOLG LGs must put in place framework for the immediate involvement of women and youth councils as well as CSOs in revenue mobilization, generation and management in order to ensure greater impact and sustainability of LRE efforts of DDP 2.
- The promotion of the property tax bill in Parliament should be considered an output on its own by the LRECC, LGFC and MOLG. There is also need to prepare training

materials which can be quickly revised after the Property Tax Bill is passed into an Act of Parliament. The LRECC must explore the possibility of using mass valuations.

- The communication strategy of MOLG needs to be customized to integrate a gender sensitive communication strategy for councillors, taxpayers and collectors.
- DDP 2 through discussions with Decentralisation Group should seek resources needed for ULAA to facilitate mobilise, sensitise and mentor LGs and communities for sustainable, gender-sensitive local revenue mobilisation.
- The MOLG and its partners need to address the impacts of political statements on local revenue mobilization at both national and local levels. A strategy needs to be developed for LGs and LRE to be protected from politicisation and to be given the latitude to determine their revenue sources and collection mechanisms in consultation with their constituents.
- The project will need to be extended into the third year when scaling down was envisaged under the POP to allow implementation of the pending activities and those proposed by this evaluation. Additional funding should be sought by UNCDF especially from DANIDA and DFID.
- It is increasingly becoming apparent that if the DDP 2 objective is to deepen the decentralisation process through better institutionalisation, then local revenue enhancement needs to be inclusive of the wider components of revenue sharing with the central government.

Component 3: Gender Mainstreaming

- MOGLSD with MOLG should devise mechanisms of strengthening LGs for gender mainstreaming. Resources (human and financial) are required to equip and enable the effective running of gender offices as well as the MOGLSD.
- The MOGLSD needs additional Gender Specialists as opposed to consultants, to assist in policy formulation and the development of implementation strategies.
- A resident district gender specialist is required to work closely with the planning units and technical teams in mentoring as well as easing burden on the few MOGLSD staff.
- There is need to assess and identify additional equipment needs for the MOGLSD and gender offices in the field such as e-mail facilities and additional computers.
- NAPW and NGP and ensuing Guidelines must be simplified, translated into local languages and disseminated widely.
- Additional more in-depth training and mentoring on gender analysis, gender sensitive project planning and budgeting should be carried out.
- Gender Assessment indicators in the Local Government Assessment Manuals must be reviewed to conform to the new gender training manuals.
- It is recommended that the MOGLSD through the auspices of the Uganda Gender Forum seeks ways of addressing the inadequacy of sex disaggregated data. in order to feed into a detailed monitoring and evaluation strategy to be developed.

- A more use friendly gender mainstreaming guide/checklist in the style of the environmental checklist for use by HLGs and LLGs should be developed. This checklist is different from the gender planning guidelines.
- A functional analysis of the role of GFPs in the Ministries should be carried out with a view to identifying their roles, responsibilities positions held, levels, to enable MOGLSD to lobby for appropriate appointments.
- MOGLSD should assist the various departments in coming up with gender related and gender sensitive activities and priorities and interventions
- There is need to do thorough gender analysis and gender impact assessment of all district plans to identify entry points for targeted training.
- Funds must be made available for training especially sub counties and lower local governments on gender analysis.

Component 4: Local Council Courts

- To fully have an impact on the administration of local justice, additional financial and human resources are required to cover training especially for the remaining sub-counties, dissemination, monitoring and evaluation as well as documenting best practices. Funding can be sought from the JLOS Donor group.
- The operational guidelines should be translated into more local languages to facilitate the training.
- A resident District Legal officer should be hired to assist in the paralegal training and monitoring of the LCCs.
- The recruitment of resident magistrates at the Sub County level should be speeded up to ensure effective supervision of LCCs.
- Additional paralegal training and legal awareness is recommended for the LCC personnel especially on basic laws and rights. Increased and or targeted gender awareness training for members of the LCCs at all levels ought to be part of this training.
- For sustainability and given the high turnover especially during elections, the strengthening of the administration of the LCCs should be mainstreamed into the Local Government's capacity building strategy.
- The Judiciary should be involved in the monitoring and supervision of the LCCs to ensure that proper procedures are followed in handling of all cases. The proposed appointment of Magistrates at the sub-county level will go a long way in assisting in monitoring of the LCCs.
- The Judicial Strategic Plan proposes to place Magistrates Grade 1 at the sub-county level to be charged with the monitoring and supervisory roles over the LCCs. These Magistrates will receive training that will enhance their supervisory skills. To assist this Magistrate, the appointment of a district legal officer to facilitate the paralegal training of the LCCs ought to be considered.

- There is need to clarify the authorisation by law of the LCCs to hear cases that are within the jurisdiction of the High Court e.g. defilement or elopement, although in many instances many such cases are resolved at a family level and never reach the courts.
- An effective monitoring and evaluation guideline should however be developed, implemented and disseminated. Monitoring and evaluation of the LCCs that are already using the guidelines ought to be undertaken within the next six months.
- The LCCs require proper storage facilities for their records etc. Some sub-counties have been assisted with storage facilities.
- The system of payments of court fees is open to abuse and checks have to be put in place especially since the jurisdiction of the LCCs will be increased once the new Bill is enacted.
- The media campaign should continue for another six months so as to increase awareness and sensitize people and the police on the importance and roles of the LCCs
- The MOLG Component managers of the LCCs should make available copies of the Local Government Act, Constitution, Children's Act etc to the District Trainers for distribution to the LCCs.
- The MOLG and the Judiciary need to coordinate and harmonise the justice system for a variety of issues such as Children's issues, Community Service referred by Magistrates as well as prevalent Land disputes culminating in the production guidelines.
- The Lower Council Courts Guidelines need to be translated into more local languages for easy use. Since district trainers have other pressing duties impacting on their ability to deliver effective timely training of LCCs, it is recommended that that training be done by two different levels with District Trainers being responsible for training and supervising Sub County Trainers.
- Since district trainers have other pressing duties impacting on their ability to deliver effective timely training of LCCs, it is recommended that that training be done by two different levels with District Trainers being responsible for training and supervising Sub County Trainers. The latter should then be responsible for training lower level LCCs at Parish and Village levels.

Follow-up Matrix for the District Development Project Phase 2: Key Findings and Recommended Actions

A: Issues for DDP 2

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
<i>1.0 Policy and Institutional Issues</i>				
1.1 Research and Development Capacity of DDP 2	That DDP 2 is subsumed into LGDP is a good thing! More likely to replicate, but there is a need to focus more on the R&D capacity of the DDP 2	It is recommended that the PCU focuses on its R&D role in order to ensure reflection and learning takes place during project implementation.	PCU, PTC, UNCDF	February 2005
	Limited mechanisms for fostering and capturing lessons through reflection forums.	There is need for quarterly DDP 2 specific meetings chaired by the Director with participation of the Pilot Districts as well as donor group representatives focusing on lessons learnt for documentation	MOLG, UNCDF, PCU, LGs	April 2005
1.2 Project Design and Relevance	There is a mismatch between Project Document Development Objective and what is happening on the ground. This lead the MTE not focusing on the real project processes	The Project Development Objective should be recast as follows: "The attainment of high quality of local governance institutions, systems, programs and operations in local governments	UNCDF, MOLG, PCU	February 2005
1.3 Capacity of MOGLSD	There is very limited capacity within the MOGLSD to carry out all gendering activities in local governance: planning, revenue enhancement, and local justice.	While the DDP 2 cannot resolve all the MOGLSD capacity issues, the Project should assist the MOLG to decentralize engendering activities to local governments.	MOGLSD, MOLG, PCU, LGs	March 2005

¹ Also contains part of the recommendations from the Stakeholder Workshop

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
1.4 UNCDF Capitalization of DDP 2	UNCDF funding has been revised downwards to almost 50 percent and disbursements have been erratic and inconsistent seriously disturbing project planning and implementation leading to doubts on project capitalization. Credibility of UNCDF has been seriously shaken.	UNCDF must restore its credibility to partners through clarifying what amounts of funds are available from UNCDF and what could be sourced from partners.	UNCDF MOLG, PCU Partners	February 2005
	Planning is becoming ad hoc as it is not clearly linked to outputs when there are doubts about availability of funding.	The PCU and CMs should prepare an Annual Plan based on minimum requirements to achieve objectives, itemizing outputs, activities, time frame and budgets identifying gaps from approved allocations for partners to consider.	PTC, PSC, Component Managers, MOLG, LGs	2005
	Budget allocations from UNCDF have been revised downwards to almost 50 percent of original.	There is need to mobilize partners to fill in the funding gaps as may be required. This must be done urgently in order to maintain the momentum of the project.	MOLG, UNCDF, Donor Liaison Groups, PCU, PTC	2005
	Disbursements have also been late and erratic thereby distorting planning and implementation schedules.	Once allocations are known, make disbursements timely as per work plans,	UNCDF	First Quarter 2005
1.5 Documentation of Lessons Learnt under DDP 2	There is very limited documentation of lessons learnt in the Project.	Documentation of lessons learnt and their communication to LGDP 2 should be a focus of DDP 2 work through the remainder of the project implementation.		

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
1.6 LRE Component translation of piloting to action responsibilities	LRE outputs from LRECC and LGFC have not been taken up by the LGDP 2.	The MOLG needs to urgently set up the Revenue Desk in the Inspectorate Department of MOLG. The members of this Revenue Desk should be part of the LRECC committee for the purposes of ensuring that the advisory and operational concerns in revenue enhancement are closely followed up by the MOLG.		
2.0 Operational Issues				
2.1 Capacity of Component management	The capacity of some component managers over the project period was below expectation thereby impacting project progress.	Reassess capacity within component management. Decentralize part of CPPB operations to Local Governments.	PCU, PTC, Component Managers, MOLG PCU, PTC, MOLG, UNCDF	November 2004 - First Qtr. 2005 February 2005
3.0. Component Related Issues				
3.1 <u>Coordinated Participatory Planning and Budgeting</u>				
3.1.1 Funding for Testing	Component has been assured additional resources from EU. 1.2 million to cover all LLGs, with testing.	Discussions must begin between MOLG, PCU, UNCDF and EU on use of allocated funds by EU	PCU, MOLG, UNCDF, EU	March 2005
3.1.2 Output 1: Testing and refinement of HPPG	HPPG has hardly been tested at SC, parish and Village levels.	It is recommended that there be a more focused follow up/testing and refinement of the modalities of implementing the HPPG at	PPD, PCU, LGs Consultants	2005

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
3.1.3 Institutionalization of Regular stakeholder meetings NGOs and CSOs at LG level	There are no regular consultations between LGs and civil society organizations to enhance participatory planning and budgeting	the parish and village levels in the pilot districts in select sub counties with Planning Units of LGs playing a critical role. The LLGs should establish regular stakeholder meetings with CSOs and NGOs at the beginning, during and after HPPG tested for lessons and learning.	PPD, LGs, PCU	2005
3.1.4 Documentation of lessons and experiences from both HPPG and PDM	No documentation of lessons and experiences have yet been done on both HPPG and PDM due to limited implementation and testing in HPPG.	After six months of implementation, commission participatory documentation of lessons and experiences.	PPD, LGs, PCU	2005/2006
3.1.5 FDS Guidelines and vertical and horizontal communication strategies relocation	FDS guidelines sensitization been implemented by LGFC on request of PPD since they are responsible for budgeting and communication systems. This is a very good example of replication and policy impact.	PTC to reallocate FDS and Communication strategy to LGFC. LGFC to prepare work plan on sub-components with Planning Units of LGs linked to HPPG, LRE and Gender Mainstreaming.	PTC, PCU, LGFC, PPD LGFC, PCU, LGs	January 2005 February 2005
3.1.6 Clarity of linkages between aspects of strategic planning, budgeting, budget framework papers, fiscal decentralization and poverty reduction at LG level.	There is no clarity among actors how the CPPB elements are linked for common outcome of good, effective and responsive local governance at both HLG and LLG.	It is recommended that the PPD together with LGFC prepare a framework paper that links the CPPB issues of strategic planning, budgeting, budget framework papers, fiscal decentralization and poverty reduction.	PCU, PPD, LGFC	March to June 2005

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
3.2 <u>Local Revenue Enhancement (LRE)</u>	Most of the targets for this output have been achieved by the project.			
3.2.1 Accessibility of Best Practices Documents	Some stakeholders do not have access to the Best Practices documents whilst others cannot access these in English but would prefer in local languages.	Best Practices should be distributed to all relevant stakeholders and in vernacular. This will require additional resources which should be sourced from LGDP 2.	PCU, PTC, LGDP 2	2005
3.2.2 Best Practices and proposed suspension of GT	There is a lot of apprehension regarding usefulness of Best Practices where 40 percent is about GT in the event of its suspension from 2006.	It is recommended that LRECC and LGFC revise the Best Practices and Guidelines earlier than the 2006/7 envisaged in LGDP 2.	LRECC, LGFC, PCU	2005
	Suspension of GT will have a serious impact on LG finances	MOLG, LGFC and their partners need to put in place measures to reduce the impact of GT suspension on the functioning of LGs	LRECC, MOLG, LGFC, Partners	2005/2006
	Cost benefit analysis modules too expensive for LGFC	DDP 2 should allocate resources to LGFC to develop prototype cost benefit analysis modules on various best practices for adoption by LGs.	LRECC, PCU, UNCDF, PTC	2005
3.2.3 Laws not in line with Best Practices for LRE	There are some Statutes that are not in line with Best Practices and will obviously impede implementation of these for improved revenue mobilization by LGs.	The LRECC and LGFC should examine laws that need to be revised.	LRECC, LGFC	2005
3.2.4 Best Practice Baseline Report and Gaps.	There are some gaps in information on some LGs making comparisons to assess progress in future more difficult.	LRECC and LGFC should revise the baseline report to fill some visible gaps including baseline information on a set of indicators so	LRECC, LGFC, PCU	2005

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
3.2.5 Best practices as part of local government system	Annual Performance Assessments of Local Governments under LGDP do not include best practice applications to review LG seriousness in LRE.	that comparisons can be made in the future It is recommended that for the institutionalization of the implementation of best practices by LGs, MOLG should prepare an appropriate indicator for national assessment of the performance of LGs	MOLG, LRECC, PCU	2005
3.2.6 Women and Youth Councils and LRE	Women's and Youths' Councils are not explicitly linked to LGs especially LRE issues.	LRECC, LGs and MOLG must put in place framework for the immediate involvement of Women and Youth Councils as well as CSOs in revenue mobilization, generation and management to ensure greater impact and sustainability of LRE efforts of DDP 2.	LRECC, PCU MOLG,	2005
3.2.7 Professional bodies and LG Revenue raising	Some professional bodies in the districts not paying taxes to local councils on pretext that they pay nationally in Kampala.	LRECC should examine the laws that govern professional bodies so that they become harmonized with their tax obligations at the local governments where they operate.	LRECC, LGFC	2005
3.2.8 Property Tax Bill as a critical output on its own.	The Property Tax Bill before Parliament is an important document to effect property taxes revenues for local governments and yet the DDP 2 is silent on such support.	It is recommended that the DDP 2 consider the promotion of the Property Tax Bill as an output on its own requiring resources and strategies, and activities by LRECC, PCU, MOLG and ULAA.	LRECC, MOLG, UNCDF	2005-6
3.2.9 Gender sensitive communication strategy in LRE.	Communication strategy of MOLG is silent on gender and local revenue enhancement.	It is recommended that MOLG Communication strategy be customized to integrate a gender sensitive communication strategy for councillors, taxpayers and	LRECC, MOLG, PCU, ULAA, Partners	2005

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
3.2.10 Political Pronouncements Impacts on LRE.	Political pronouncements on GT and other LRE efforts are having serious impacts on local revenue mobilization and collection thereby affecting DDP 2 efforts in promoting LRE.	collectors. Resources should be sought from the Gender Mainstreaming and Decentralization Groups for ULAA to sensitize its members. DDP 2 cannot address this issue per se. However the MOLG should work with its sister Ministries to minimize the impacts of these pronouncements on local revenue mobilization.	MOLG	2005
3.2.11 Up scaling of LRE	Best Practice Inventory has been completed. LGs have prepared action plans for revenue enhancement based on Best Practices but do not have adequate resources to implement these plans. It was envisaged that LGDP 2 would take up scaling under its component 4.	PCU should prepare specific issues for up scaling by LGDP 2 issues from the DDP 2 LRE component. MOLG should speed up the proposed establishment of the Revenue Desk in the Inspectorate Department to take up LRE issues for up scaling. Consultant is in place and the process is underway.	PCU, LRECC, LGFC MOLG,	
3.2.12 Sustainability and future of LRE and LRECC	The future of the LRECC and its LRE component is not clear beyond DDP 2 funding. The two are linked to LGDP 2 Component 4 in an implicit manner. More explicit really as the LGDP document takes off where DDP 2 ends.	The PTC and PSC must unlock the LGDP 2 LRE Component 4 and further sustainable funding of the LGFC must be established. JARD will tell us more More resources required for ULAA to facilitate exchange visits, communities of best practices and mentoring of local governments on LRE.	LRECC, MOLG, LGs, LGFC	

Area of Focus			Key Findings	Recommended Actions ¹	Responsible Party	Timeline
3.2.13	Public Partnership	Private	<p>All the visited LGs had in some way privatized revenue collection with the District tender Board providing some support to HLGs and LLGs.</p> <p>IOBP identified corruption by contractors, political interference conflict of interest and unreliable reserve prices.</p>	<p>The LGFC to study and document current PPP in LRE, tendering processes, reserve prices, management of tenders.</p> <p>MOLG to develop training programmes and modules for PPP in LRE and generation. Ensuring that all activities remain pro-poor.</p>		
3.2.14	Procurement procedures		<p>Policy of divesting market revenue collection to the private sector is appropriate but the procurement procedures not adequately documented, monitored and adhered to. Corruption in tendering and tender management erodes benefits of privatization.</p>	<p>Procurement procedures need to be streamlined and disseminated. In particular, a study on tendering process and management of tenders needs to be carried out. Reserve prices need to be adequately researched on.</p>		
3.2.15	Local capacity for professional property assessment and tax collection		<p>The IOBP identified shortage of valuers, over centralized CGV, poor knowledge of law governing property tax, poor tax administration, out-dated local government decrees. There is also limited move in new Property Bill before Parliament.</p>	<p>There is need to prepare training materials for property tax valuation that can be quickly revised after the Bill is passed. The possibility of using mass valuation should be seriously considered.</p>		
3.2.16	Data systems	collection	<p>There are many systems that are handling data on revenue relating to LGs. LOGICS, LOGFIAS in MOLG, IFMS in MOPED, LGFC database, ULAA database, at LGs in addition to KCC system being developed also other uncoordinated efforts being</p>	<p>There is need to coordinate and share information from the various systems so as to improve data quality and increase utility of information in national and local decision making processes and advocacy for LRE.</p>		

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
	made. Data from these sources inconsistent and uncoordinated.			
3.3 <u>Gender Mainstreaming (GM)</u>				
3.3.1 Enhancing capacity of MOGLSD	The human resource capacity of the MOGLSD is still weak	<p>MOGLSD with MOLG should devise mechanisms of strengthening LGs for gender mainstreaming. Resources (human and financial) are required to equip and enable the effective running of gender offices as well as the MOGLSD.</p> <p>The MOGLSD needs additional Gender Specialists as opposed to consultants, to assist in policy formulation and the development of implementation strategies.</p> <p>A resident district gender specialist is required to work closely with the planning units and technical teams in mentoring as well as easing burden on the few MOGLSD staff.</p> <p>There is need to assess and identify additional equipment needs for the MOGLSD and gender offices in the field such as e-mail facilities and additional computers.</p>	<p>MOGLSD, MOLG, UNCDF, UNDP, Donor Groups</p> <p>MOGLSD,</p> <p>MOGLSD, MOLG, LGs</p> <p>MOGLSD</p>	<p>2005</p> <p>2005</p> <p>2005 first quarter</p> <p>2005</p>
3.3.2 Understanding gender of and	Limited knowledge and understanding of how to mainstream gender especially in	NAPW and NGP and ensuing Guidelines must be simplified, translated into local		

Area of Focus		Key Findings	Recommended Actions ¹	Responsible Party	Timeline
mainstreaming round	all	<p>planning and budgeting processes.</p> <p>Training not detailed enough and did not cover an adequate number of people.</p> <p>Limited appreciation and understanding of Gender and Gender Mainstreaming in LGs</p>	<p>languages and disseminated widely.</p> <p>Additional more in-depth training and mentoring on gender analysis, gender sensitive project planning and budgeting should be carried out.</p> <p>Gender Assessment indicators in the Local Government Assessment Manuals must be reviewed to conform to the new gender training manuals.</p>		
	3.3.3 Gender planning, budgeting and monitoring indicators	Inadequacy of gender disaggregated data to highlight existing inequalities and imbalances.	It is recommended that the MOGLSD through the auspices of the Uganda Gender Forum seeks ways of addressing the inadequacy of sex disaggregated data. in order to feed into a detailed monitoring and evaluation strategy to be developed.		
	3.3.4 Gender Mainstreaming Guidelines	There are no gender mainstreaming guide/checklist to assist the engendering planning and budgeting at the district level.	A more use friendly gender mainstreaming guide/checklist in the style of the environmental checklist for use by HLGs and LLGs should be developed. This checklist is different from the gender planning guidelines.		
	3.3.5 Rendering assistance to Departments on Gender Roles	No clear functional analysis of Gender Focal Persons roles in the Ministries to ensure effectiveness in policy decisions on gender.	A functional analysis of the role of GFPs in the Ministries should be carried out with a view to identifying their roles, responsibilities positions held, levels, to enable MOGLSD to lobby for appropriate appointments.		

Area of Focus	Key Findings	Recommended Actions ¹	Responsible Party	Timeline
3.3.6 Funding to deepen gender analysis skills	<p>Departments have no clear gender related priorities and interventions</p> <p>There is shortage of funds for training especially for sub counties and lower local governments.</p>	<p>MOGLSD should assist the various departments in coming up with gender related and gender sensitive activities and priorities and interventions</p> <p>There is need to do thorough gender analysis and gender impact assessment of all district plans to identify entry points for targeted training.</p> <p>Funds must be made available for training especially sub counties and lower local governments on gender analysis.</p>		
3.4 <u>Strengthening the Administration of Local Council Courts</u>				
3.4.1 Capacity for training by district trainers	<p>There is limited financial and human resources to cover remaining sub counties.</p> <p>District trainers have other line duties making it difficult for the members to get</p>	<p>To fully have an impact on local justice additional financial and human resources are required to cover training for the remaining sub counties, for the dissemination of information and for monitoring and evaluation. Additional resources are also required for documenting best practices. The additional financial resources should be sought from the JLOS Donor group.</p> <p>There is need for a Resident District legal officer to assist in paralegal training and</p>	<p>MOLG, JLOS,</p> <p>MOLG, Judiciary</p>	<p>2005</p> <p>2005</p>

Area of Focus		Key Findings	Recommended Actions ¹	Responsible Party	Timeline
3.4.5	Monitoring tools for LCC processes	There no effective assessment and monitoring tool to assist the M&E process. Monitoring is still ad hoc.	The Judiciary should be involved in the monitoring and supervision of the LCCs to ensure that proper procedures are followed in the handling of all cases. The proposed appointment of Magistrates at the Sub County level is a step in the right direction. An effective monitoring and evaluation guideline should be developed, implemented and disseminated. M&E of existing LCC using those guidelines is urgently required.	MOLG, Judiciary, LGs	2005
3.4.6	Public awareness on roles of LCCs	There are still many people not aware of the roles and functions of the LCCs including in some cases skepticism by members of the police force on LCC roles.	The media campaign should continue for another six months so as to increase awareness and to sensitize people and the police on the important role of the LCCs in local justice delivery.	MOLG, PCU,	2005
3.4.7	Role conflicts in LCC limits	The law authorizes LCCs to hear cases that are within the jurisdiction of the High Court i.e. defilement and elopement.	There is need to clarify the authorization of the law of the LCCS to hear cases that are within the jurisdiction of the High Court.	Judiciary	2005

ANNEX 1: SUMMARY TERMS OF REFERENCE FOR THE MID TERM EVALUATION OF THE DISTRICT DEVELOPMENT PROJECT PHASE II

4.0 Evaluation Objectives and Scope

4.1 UNCDF Project Evaluation Objectives

The general objectives of a UNCDF project evaluation are to:

- Assist recipient Governments, beneficiaries, UNCDF, and co-financing, cooperating and executing agencies and other project partners to improve the efficiency, effectiveness, relevance, sustainability and impact of UNCDF-funded projects.
- Support organizational and partner learning on project and policy related issues.
- Ensure accountability for results to the project funders and beneficiaries.

4.2 Uganda DDP II Mid-Term Evaluation Objectives

The specific aims of this Mid-Term Evaluation is to provide a strategic review of project performance to date, in order to:

- Help project management and stakeholders identify and understand problems that need to be addressed, and provide stakeholders with an external, objective view on the project status, its relevance, the validity of the original project rationale for UNCDF to pilot in new focus areas, how effectively it is being managed and implemented, and whether the project is likely to achieve its development and immediate objectives.
- Provide project management and stakeholders with recommendations for corrective actions to resolve outstanding issues and improve project performance for the remainder of the project duration.
- Help project management and stakeholders assess the extent to which the broader policy environment remains conducive to replication of the lessons being learnt from project implementation and/or identify exit strategies
- Help project management and stakeholders set the course for the remaining duration of the project.
- Help project management and stakeholders to draw initial lessons about project design, implementation and management.
- Comply with the requirement of the Project Document/Funding Agreement as well as UNCDF Evaluation Policy.

4.3 Uganda DDP II Mid-Term Evaluation Tasks

The evaluation team will contribute to the above by completing the following evaluation tasks. In the context of stage of implementation of the project and resource disbursements made to date:

- Assess overall progress (or lack thereof) in delivering project outputs as compared with the workplan.
- Assess the likelihood of the project achieving its immediate and development objectives.
- Assess the continuing validity and relevance of project objectives, and the degree to which the critical assumptions are holding. Specifically, in this regard, the focus of DDP II has taken UNCDF beyond the “traditional” focus of UNCDF on the Local Development Programme pilot, which, in the shape of DDP I, was judged successful in achieving its delivery, policy impact and replication objectives¹. DDP II breaks new ground for UNCDF in piloting in the areas of gender mainstreaming, local revenue enhancement and strengthening the administration of local justice. The evaluation team should assess whether UNCDF is demonstrating comparative advantage in addressing these areas, and confirm – or otherwise – from a strategic

¹ See Programme Impact Assessment of DDP I, ECIAfrica, March 2004

positioning and “product development” perspective, whether the rationale for UNCDF programming in these areas¹ remains valid.

- Make an initial assessment also, with respect to this analysis of new piloting areas, on the strategic value, added value and capacity of UNCDF to extend its programming in Uganda to the area of Local Economic Development. This was highlighted by the Programme Impact Assessment of DDP I as an area UNCDF should consider entering into in Uganda, and is also a growing area of interest for UNCDF Research and Development (upcoming case study to be conducted in Uganda) as it is recognised as an important pillar for strengthening local development, and a natural extension of UNCDF’s current programme interventions.
- Examine design features, determine the need for and recommend any revisions to project design to best ensure the achievement of the desired objectives/outputs.
- Assess the extent to which the broader policy environment remains conducive to replication of the lessons being learnt from project implementation.
- Assess the institutional and implementation arrangements and their suitability for the successful attainment of project objectives. Identify obstacles that are hindering the implementation or operations of the project and make recommendations for resolving outstanding issues.
- Assess managerial competencies, capabilities and innovation at all levels in the implementation of the project. Assess whether managerial systems, including M&E and reporting systems, are functioning as effective management tools. Provide perspective and recommendations on outstanding management issues.
- Assess and make recommendations on the sustainability of the implemented activities and the project transition strategy.
- Draw critical lessons on project design, implementation and management, and make recommendations to improve them.

The agencies to be included in the assessment are the Ministry of Local Government, PCU and the Directorate of Local Council Administration in the Ministry of Local Government, the Local Government Finance Commission and Local Revenue Coordinating Committee, and the Ministry of Gender, Labour and Social Development.

The pilot districts to be included in this assessment are the districts of Arua, Yumbe, Mukono, Kayunga, Jinja and Kabale, together with their lower LGs and lower Local Councils. For Component 2 the analysis will also include the newly added pilot districts of Budibugyo, Sironko, Kumi and Ntungamo. Field visits will be to a sample of the above districts – provisionally 3 of the 6 districts where all components are active, plus 2 of the additional districts for Component 2, to be confirmed by the evaluation team in consultation with project stakeholders.

4.4 Additional Issues to be Considered in the Evaluation (FONT?)

In addition to the evaluation issues and tasks outlined in section 4.3 of the TOR, the evaluation team is directed to **Annex 1**, which lists a (non-exhaustive) range of component-specific issues and related tasks that the evaluators are asked to consider in their analysis. It is recognised that while some of the issues identified concern *effects* of the project outputs for which it is too early to fully establish outcomes and impact, the evaluation team is asked to establish *an indication of the likely outcome and impact* of the DDP II interventions/output in order to support the analysis of whether DDP II components are on track to achieve their objectives, or require some reformulation. The evaluation team shall also identify, analyse and provide feedback on other issues in addition to those listed that will or should influence future project direction.

¹ As expressed in the Project Concept Paper and Project Document for DDP II

5.0 Evaluation Methodology

The evaluation will be carried out in the following way:

5.1 HQ Phone Briefing

The Team Leader will be briefed by telephone by the UNCDF Programme Manager, the Technical Advisor, the Regional Technical Advisor covering East and Southern Africa, and the Evaluation Unit.

5.2 Review of relevant project documents and files

5.3 Establishment of Evaluation Methodology and Work plan

At the beginning of the mission, the team leader should consult with the other team members and elaborate a detailed methodology on how to proceed with the evaluation. The team leader and the team members should produce on the 2nd day the Evaluation Methodology and Work plan. This should include the tasks to be undertaken by the different team members, a time schedule for the mission and a table of contents for the evaluation report (see PART II Detailed Terms of Reference). The UNDP CO and UNCDF Programme Officer will facilitate the scheduling of meetings for the evaluation team. In preparation for their information gathering activities, the team may wish to prepare research tools (interview guides, etc) to aid their consultation of the various project stakeholders.

5.4 In-Country Consultations

Briefing by UNDP/UNCDF, Component Managers and PCU. The staff of UNDP/UNCDF Uganda and PCU will assist the team. Field trips and site visits to conduct the evaluation will be planned in consultation with UNCDF/UNDP and PCU in order to meet with Component Managers and other relevant project-related authorities/implementers and the beneficiaries/users, as well as population groups outside the project areas, as necessary. The beneficiaries consulted should include local authorities, women's representatives/groups, key community leaders, and poor community members at the field level, and relevant Ministry officials, national and technical staff, NGOs and donors at the national level. The mission should visit an appropriate, representative sample of Districts and communities. Wherever possible, all evaluation data should be disaggregated by gender.

5.5 Drafting of Aide Memoire

On the basis of its findings, the mission should draft an Aide Memoire, which will be shared with key stakeholders (GoU, UNDP/UNCDF in Uganda and HQ, and other relevant in-country partners in consultation with the UNCDF Programme Officer) prior to the mission "wrap-up" meeting, at which stakeholders can comment on the mission's findings.

5.6 Mission Wrap-Up meeting

The Mission Wrap-Up meeting is held and comments from participants are noted for incorporation into the final report. The UNCDF Programme Officer should record the minutes of this meeting for submission to the mission, all relevant stakeholders, and UNCDF HQ.

5.7 In-country Debriefing

A session will be held with the UNDP Resident Representative, the Permanent Secretary of MoLG and all the Component Managers.

5.8 Debriefing of UNCDF HQ

Conducted in New York by the team leader

5.9 Finalization of the Report

6.0 ORGANIZATION OF THE MISSION

6.1 Composition of the Mission

The evaluation is to be conducted by a team of 3 consultants, namely, (i) a Local Government Expert with expertise in Decentralized Planning and Financing, and Institutional Development, who will act as Team Leader, (ii) a Gender and Participation Expert and (iii) an Expert in Access to Local Justice, with experience in Institutional Development. At least one consultant will be national.

UNCDF Headquarters will recruit the International Consultant(s). The National Consultant(s) will be recruited by UNCDF/UNDP, Uganda.

6.2. Duration of the Mission

The assignment will take place between 9 August and 2 September 2004. The draft workplan detailing the schedule and number of workdays for each of the consultants can be found in **Annex 2**. Note that Sundays are off-days.

7.0. REPORTING (Deliverables)

The Consultants shall work as a team and report to UNCDF Evaluation Unit. In the field, the mission should report to the UNCDF representative (i.e. the Resident Representative UNDP or his appointee). However, on a day-to-day basis, the Consultant will work closely with the Component Managers, as follows:

- *Component 1:* The Assistant Commissioner for Policy and Planning/MoLG
- *Component 2:* The Senior Economist/Local Government Finance Commission
- *Component 3:* The Principal Gender Officer/Ministry of Gender, Labour and Social Development
- *Component 4:* The Commissioner for Local Council Development/MoLG

The detailed **Evaluation Methodology and Work plan Proposal** should be submitted by the Team Leader on the second day of the mission to the UNCDF Programme Officer and shared with the Evaluation Unit. This is a brief proposal regarding his/her understanding and interpretation of the ToR and overall evaluation.

Near the end of the mission (upon completion of information gathering and assessment), the mission should draft an **Aide Memoire** briefly stating their key findings. Ideally, time should have been allowed for discussion of findings in the field with the project beneficiaries during the in-field consultations. The Aide Memoire becomes the basis of discussions at the Evaluation Wrap-Up meeting in Kampala, to which representatives of key stakeholders are invited. UNCDF HQ should receive a copy of the Aide Memoire as well prior to the meeting. At the Wrap Up meeting, the mission should discuss its main findings and recommendations with the UNDP Resident Representative, government authorities, and other project partners concerned. While the consultants are free to raise any subject relevant to the evaluation of the project, the mission is not empowered to make any commitments on behalf of UNCDF.

The **Minutes of the Evaluation Wrap-Up Meeting** is to be prepared by the UNCDF Programme Officer and submitted to the mission team, all relevant stakeholders, and the Evaluation Unit at UNCDF HQ. The comments of the Government, the UNDP Resident Representative, and other relevant stakeholders on the Aide Memoir and at the Wrap Up meeting should be incorporated or addressed appropriately in the **Draft Evaluation Report**. The mission should submit the Draft Evaluation Report within 10 days after completion of the Evaluation Wrap-up meeting. An electronic version of the Evaluation report, including the "summary of project evaluation", (in MS Word 2000 format) should be submitted to UNCDF headquarters for review and comments, at least 5 days prior to the Evaluation Debriefing of UNCDF HQ by the team leader. After the Evaluation Debriefing, the team leader should then finalize the **Final Evaluation Report and Summary**.

ANNEX 2: LIST OF PEOPLE MET

HQ Briefing Thursday 22nd July 2004

1. Rebecca Dahele	Evaluation Unit	UNCDF
2. Florence Navarro	Programme Manager	UNCDF
3. Hitomi Komatsu	Former PM	UNCDF
4. Joyce Stanley	Regional Advisor	UNDP, RSA
5. Janet Macharia		
6. Ramson Mbetu		

9th August 2004

MOLG

1. V. B. Ssekono	Permanent Secretary for Local Government	MoLG
2. James Opio-Omoding	National Programme Officer	UNCDF
3. Sylvia Keera	Acting Coordinator,	PCU, MoLG
4. Assumpta Ikiriza T.	Community Mobilisation Specialist	PCU
5. Semugenze G.N.	Finance Officer	PCU, MoLG

MOLGSD

1. Mr. Ralph Ochan	Permanent Secretary of Gender, Labour and Social Development	
2. Elizabeth Kysamire	Commissioner for Gender	MGLSD
3. Jane Ekapu	Principal Gender Officer	MGLSD
4. Ida Kigonya	PWIDO	MGLSD

Component Managers

1. Sylvia Keera	Acting Coordinator,	PCU, MoLG
2. James Opio Omoding	NPO	UNCDF
3. Sam Emorut-Erongot	A/ Policy and Planning Dept.	MOLG
4. Samuel Amuile ACUI,	Inspectorate	MOLG
5. Timothy Mushenire	Programme Specialist	PCU, MOLG
6. Lawrence Latim	Senior Economist	LGFC
7. James Ogwang	Economist	LGFC
8. Christopher Ebau	CFT	PCU, MOLG
9. Imagara Elizabeth	PPA, Policy an Planning Dept	MOLG
10. Joseph Okello	SPA, PPD	MOLG
11. Patrick K. Mutabwire	Commissioner, LLCD	MOLG
12. Jane Ekapu	Principal Gender Officer	MGLSD
13. Johnson K. Bitarabeho	Chairperson	LGFC
14. Lawrence Banyoya	Secretary	LGFC
15. Ogwang Bernard Okuta	Commissioner Central Grants and Local Revenue	LGFC
16. Lucal Omara Abong	Deputy Secretary	LGFC
17. Lawrence Latim	Senior Economist	LGFC

UNDP

1. Auke Lootsma	Deputy Resident Representative (Programmes)
2. Haruna Kyamanywa	Assistant Resident Representative (Governance)
3. Sam Ibanda	Assistant Resident Representative (HIV/AIDs)

Donors

- | | | |
|------------------------------|---------------------------------|--------------------|
| 1. Donal Cronin | Development Attache | Embassy of Ireland |
| 2. Jens-Peter Kamanga Dyrbak | Senior Decentralisation Advisor | DANIDA |
| 3. Dr. Charles Drazu | First Secretary | Royal Netherlands |

Gender Donor Group

- | | | |
|----------------------|-------------------|---------------------------|
| 1. Catharine K. Guma | Gender Advisor | Royal Netherlands Embassy |
| 2. Justina K. Stroh | Programme Officer | Royal Danish Embassy |

Ministry of Finance

- | | | |
|---------------------------|-----------------|-------|
| 1. Richard Ssewakiiryanga | PPA Team leader | MFPED |
| 2. Margaret Kakande | Poverty Analyst | MFPED |

Uganda Local Authorities Association (ULAA)

- | | | |
|-------------------|------------------------|------|
| 1. Raphael Magezi | Secretary General | ULAA |
| 2. Liz Nkongi | Communications Officer | ULAA |
| 3. Rose Gamwera | Legal Officer | ULAA |

ARUA DISTRICT AND MUNICIPALITY

16/8/2004 District Executive

- | | | |
|------------------------|--------------------------------|------|
| 1. Chandia Leone | Vice Chairperson | Arua |
| 2. Dramuke Idoru | Secretary Finance/Planning | Arua |
| 3. Eriku E. Cyrill | Secretary Education and Sports | Arua |
| 4. Opinia Teddy Gloria | Deputy Speaker | Arua |
| 5. Matata J. Bugahi | Secretary Technical Service | Arua |

12.00 p.m. 16/8/2004 Technical Planning Committee

- | | | |
|---------------------|-------------------------------|------|
| 1. Steven Ouma | For CAO | Arua |
| 2. Shapcean Adeku | Statistics | Arua |
| 3. Andam Walter | Intern Student MUK | Arua |
| 4. Erizama Wilson | Economist | Arua |
| 5. Inzikuru Teddy | Probation and Welfare Officer | Arua |
| 6. Ogwang Cyprian | Secretary DTB | Arua |
| 7. Ondoma Richard | SFO | Arua |
| 8. Anguru Robert | Physical Planner | Arua |
| 9. Odipio Edward | D. Environment Officer | Arua |
| 10. Kezzy D. Ondoma | DHO | Arua |

Awindiri Ward - Arua Municipality

- | | |
|------------------------|--------------------|
| 1. Alfred Oyo | Arua Hill Division |
| 2. Nyolunga Roy | |
| 3. Nola Bua | JQCC |
| 4. Alaru Zubeiri | LC 2 |
| 5. Maling David | Niva Cell |
| 6. Tako Godfrey | Arua Hill |
| 7. Jakech Valo Patrick | PDC |

8. Amima Omar	
9. Oryema Muzamil	PDC/Youth C/man LC 2
10. Magret Akumu	LC 2
11. Candiru Alba	LC 2
12. Chakustine Ismail	LC 2
13. Husuna Ziawa	LC 1 Academy Cell
14. Matum Molly	Mira Cell
15. Magezi Michael	Arua Hill Cell

Adumi Sub County: ARUA district

1. Asua Luke	LCIII C/Man	Arua
2. Efia Charles	Secretry Health	Arua
3. Driciru Martha	Vice Chairperson	Arua
4. Asia Godfrey	Secretary Education	Arua
5. Amany John	Secretary/Finance/Planning	Arua
6. Drovu .A	Engineer	Arua
7. Acidri Philiam	nvestment Member	Arua
8. Asia Simon	C/investment Committee	Arua
9. Anzumbo Ceaser	Committtee Member Investment	Arua
10. Dramadri Michael	SCTPC	Arua
11. Orodrio- Charles	Member of TPC	Arua
12. Aisu Francis	Sub-county Chief	Arua

Focus Group Discussions Katrini Sub County 19th August 2004

1. Opia M. Ciriako	Sub Accountant
2. Andikuru Hellen	CDO
3. Banduni Seth	Production Officer
4. Alitre Lonzino	Secretary Production/Works/Security
5. Abiria Jackson	Secretary Finance Planning
6. Angutoko Victor	LC III Vice Chairman
7. Aloma Luiji	LC III Chaairman
8. Alidria Michael	Clinical Officer
9. Edemachu Monica	SCC

Debrief Meeting Arua Municipality and Arua District Local Government 19th August 2004

1. Eriku Cyril	
2. Idoru Dranwike	Secretary Finance/ Planning ADLG
3. Opimia T. Gloria	Secretary Production and Marketing, ADLG
4. Azima Alimani	Deputy Speaker, ADLG
5. Hajjati Hanifah Rizigallah	Speaker, Arua Municipal Council (AMC)
6. Kibibi Rose	Deputy Speaker, AMC
7. Aguta Lawrence	Chairman LC III Pajuku
8. Adebwugen Robert	Assistant Town Clerk/AHD
9. Alfred Oyo	ATC/River Oli Division, AMC
10. Bulea A. George	Deputise for DPC
11. Anguyo Marshal	Planner/AMC
12. J.M. Awayo	Chief Finance Officer
13. Shapman Andeku	Statistician/Planner
14. Kezzy Ondoma	SLO/GO
15. Anguzu B. Robert	Physical Planner
16. Inziki Paul	Deputy Town Clerk
17. Enzama Ernest	Assistant CAO

18. Matata Y. Bugah	Secretary Technical Services ADLG
19. Opio George	Secretary for Education/Health/ Security
20. Osumile Jonathan	LC III Chairman, AHD
21. Amaguro Joyce	LC III Vice Chairperson AHD

YUMBE DISTRICT

Yumbe Local Government: 20/8/2004

1. Dalili R. K. Moses	Ag/CAO	Yumbe
2. Dr Hassan Nassur	Ag. DDHS Health	Yumbe
3. Dibet Odongo	DPO/Ag. Planner	Yumbe
4. Dalili Sebi	Tax Officer	Yumbe
5. Asiku S	Assist Tax Officer	Yumbe
6. Azokore D. H.	A DEO	Yumbe
7. Kana D. Richard	DSW	Yumbe
8. Asiki S	ACOA	Yumbe
9. Bandua F	DCDO	Yumbe
10. A.P.Owino	CPO	Yumbe
11. Dellu Abdulla	DLO	Yumbe

Romogi Sub-County

1. Kaiga Abduli	SCC	Yumbe
2. Ondoga D. Isaac	LCIII V/CPRomogi	Yumbe
3. Aliga Sudi Son	LC I V/C/P Leinga East	Yumbe
4. Anguyo Dalili	LC II Councillor	Yumbe
5. Ayubu M	Finance LC II Baringo	Yumbe
6. Rasulu Sadala	LCI /Sec.for security	Yumbe
7. Apandu Asharafu	Sec. Finance Romogi	Yumbe
8. Juma Buruga	Production Sec. LCII	Yumbe
9. Issa Doka	LC II CM Baringa	Yumbe
10. AliashaMunguchi	Ag. P. C. Limidu	Yumbe
11. Taban Maliamungu	LCI Lickicho	Yumbe
12. Buhan Kasimu	L.C I Balakalo V	Yumbe
13. Aring Rasoul	Sub Accountant Ramogi	Yumbe
14. Anguyo Omara	LC C/Man Ramogi	Yumbe

JINJA DISTRICT AND MUNICIPALITY, Technical Planning Committee 23rd August 2004

1. Kyangwa Mercy	Municipal Planner
2. Kamwana Jonathan	Acting Municipal Education Officer
3. Nnume Yasin Abubakar	Senior Internal Auditor
4. Dan Kabuleta	Acting Municipal Treasurer
5. Nasihamba Ernest	Senior Environment Officer
6. G.M. Gidudu	Principal Health Inspector
7. Dr. Bawonya	Acting Medical Officer of Health
8. D. Wamuzibira	Municipal Engineer
9. Joseph Ssemabulya	Examiner of A/cs/LGDP Coordinator
10. Kakuze Tabith	Senior Land Inspector

Mpummude Division TPC, Municipality, Jinja 24th August 2004

- | | |
|---------------------|-----------------------|
| 1. Bageya Wauswa | CDO |
| 2. Maali Samuel | Senior Town Agent |
| 3. Ikaaba Davids | Environment Assistant |
| 4. Kigumba Willy | Health Inspector |
| 5. Kakura Paul | Senior Town Agent |
| 6. Kawanguzi Steven | Assistant Town Clerk |

Mpummude Division Cell 24 August 2004

- | | |
|---------------------------|-------------------------|
| 1. Ochieng Osapat | Vice Chairman |
| 2. Mrs Betty Mukwana | Chairperson WID Council |
| 3. Manana Charles | Chairman LC2 |
| 4. Kulala George | Villager |
| 5. Iga Marth | EV |
| 6. Maali Samuel | Senior Town Agent |
| 7. Nabirye Christine | Treasurer |
| 8. Kankila Paul | Senior Town Agent |
| 9. Ikaaba Darda | Environment Assistant |
| 10. Kawongolo Christopher | Sec. Defence |

Buwenge Sub County Jinja 24th August 2004

- | | |
|----------------------|--|
| 1. Saawe M. | Secretary Finance |
| 2. Kilongosi Aida | Secretary Gender |
| 3. Buamo John | Sub Accountant |
| 4. Kairu M. Jackson | Secretary Production, Works and Health |
| 5. Batega Ruth | Secretary Finance |
| 6. Kitamirike Peter | IDC Coordinator |
| 7. Mwima Yusufub | Vice Chairperson Investment Committee |
| 8. Mukembo Edirisa | Secretary Investment Committee |
| 9. Muganza Michael | Youth Councillor |
| 10. Tibaklino Wilson | O/C Kagoma Remand Prison |
| 11. Mamyalo Hellen | Vice Chairperson |
| 12. Mukembo Susan | Sub County Investment Chairperson |

Jinja Municipality/ District Executive Debriefing session

- | | | |
|------------------------------|----------------------------|---------------------|
| 1. Tibenkana G. Ivan | Secretary Health and Works | |
| 2. Opit William | General Secretary JDLC | |
| 3. Peter Bian | LC Secretary Security | Old Bosta Parish |
| 4. Saude Akuzawo Faith | Chairperson LC 2 | Central West Parish |
| 5. Tuhumwire Dorothy Mbalule | Chairperson LC 2 | Magwa Parish |
| 6. Umar S. Mazaham | Vice Chairman, LC2 | J. Central Parish |
| 7. Grace S. Kirya | Chairperson | JIC East |

Donor Group on Decentralisation

- | | |
|---------------------|--------|
| 1. Sarah Hearn | UFD-U |
| 2. Paul Mpuga | WB |
| 3. Mugumya Geoffrey | MOLG |
| 4. Pontaian Mulwezi | DCI |
| 5. Daniel S IGA | DANISH |
| 6. Mariel Janssen | RNE |
| 7. Charles Drazu | RNE |

8. Lucas Umua Asmg	LGFC
9. Jaken Wismans	SNV
10. Grace K	SNV
11. Olya JJ WB	
12. Lawrence Latim	LGFC
13. Francis Luwangwa	USAID
14. Philip Mutelev	NAO/EDF
15. Grace Ekudu	UNICEF
16. James Opio – Omoding	UNDP/UNCDF
17. Gilbert Kiracho	PCU/MOLG

Debriefing with UNDP and Component Managers 31st August 2004

1. Auke Loostma	DRR/ UNDP
2. James Opio-Omoding	National Programme Officer UNCDF
3. James Bogume	Procurement Officer, PCU/MOLG
4. Gilbert Kiracho	ISO/PCU/MOLG
5. Christopher Ebau	CFT/PCU/MOLG
6. Janet Kabeberi-Macharia	UNDP/MTE Team
7. Regina Akello Walwaba	UNDP
8. Sylvia Keera	A/C SMEO/PCU/MOLG
9. Alexander Lomiga	UNDP
10. Harnet Kanisigarira	UNDP
11. Patrick Mutabwire	Commissioner, LCD/ MOLG
12. Haruna Kyamanywa	ARR/ UNDP
13. Lawrence Latim	Senior Economist/LGFC
14. Assumpta Tibamwende	CMS/PCU/MOLG
15. Ida Kigonya	PWIDO/ MGLSD
16. Jane Ekapu	PGO/MGLSD
17. Joyce Stanley	Regional Technical Advisor/ UNCDF
18. Romano Adupa	Consultant/MTE Team
19. Ramson Mbetu	Team Leader/MTE Team/Consultant
20. Lawrence Banyoya	Secretary/LGFC

Meeting at Judiciary Meeting Uganda Law Courts 1st September 2004

1. Justice James Okoola	Principal Judge
2. Justice Yorokamu Bamwine	Judge
3. Justice Opio Aweri Ruby	Judge
4. Justice Henry Adonyo	Registrar. Research and Training
5. Lawrence Tweyanze	Personal Assistant to the Principal Judge

STAKEHOLDERS MEETING FOR THE DDP 2 MTE 2nd September 2004, Grand Imperial Hotel, Kampala

1. Lawrence Latim	Senior Economist , LGFC
2. Ogwana B. Okuta	LGFC
3. Christopher Ebau	CFT PCU/MOLG
4. Ampumuze	Planner Kabale
5. David Wakudumira	Mayor, Jinja Municipality
6. Tom Mathe	Director, LGAI, MOLG
7. Sylvia Keera	Senior M&EO PCU/MOLG
8. Philip Mitchell	NAO/EDF MOFPED
9. Gladys Rwabutomire	Secretary PCU MOLG
10. Thomas M. Nkaunerumani	Commissioner LGI MOLG
11. F. Luwanga	USAID

12. James Oguma	Economist, LGFC
13. Patrick Mutabwire	Commissioner, LCD MOLG
14. Samson Kateregga	Inspector MOLG
15. Donal Cronin	Chair, JLOS Donor Group, Embassy of Ireland
16. Charles Wright	Financial Advisor, MOLG
17. Gilbert Kiracho	ISO/PCU MOLG
18. James Opio-Omoding	NPO UNCDF
19. Sharon McGuigan	UNDP
20. Ekapu Jane	MOGLSD
21. Mugulan Daniel	A/CAO
22. Mushabe Jack N.	CFO
23. Mubiru Nathan	Planner
24. Andua Drani	A/CAO
25. Kabanda Peter	Planner
26. Birigenda Peter	Planner , Mukono
27. Faridah Saleh	UNDP
28. Andrew Kizza	MOLG
29. O. Mulondo	MOLG
30. Joap Bloom	Austrian Embassy
31. Tugume Stephen	CFO, Kabale
32. Alex Jurua	Consultant MTE Team
33. Mugalu Senvello	CFO Mukono
34. Banyoya L.	Secretary LGFC
35. Sonko S.	CAO Mukono
36. Waidhaa Uuba Jofram	DTC Jinja
37. Jonathan Gimeii Wafuka	CFO Sironko
38. Ssenyondo Francis	CAO Bundibugyo
39. Tibasima Charles	CFO Bundibugyo
40. Jeisen Wismans	Senior LG Advisor SNV
41. Stanley A Adra	A/CAO Arua
42. Ikotot Francis	CFO Kumi
43. Okello Joseph	SPA MOLG
44. Balisanyuka Joseph	CAO Sironko
45. Peter Masiko	DCAO Kabale
46. Joyce Stanley	RTA UNCDF
47. Elizabeth Kyaiimire	Commissioner MOGLSD
48. Ochom Rose	CAO Kumi
49. Shaphan Andeku	Planner Arua
50. Byazugara Alex	CAO Ntungamo
51. Arinaitwe Julius	CFO Ntungamo
52. Maira Mwiasa Joseph	CAO Kayunga
53. Kigozi Abdu	A/CFO
54. Nava Fatuma	A/Planner
55. Charles Drazu	Advisor RNE
56. Ramson Mbetu	Team Leader MTE Team
57. Romano Adupa	Consultant MTE Team

ANNEX 3: List of documents reviewed

List of Documents Reviewed

1. The DDP II Project Concept Paper, 2001
2. The DDP II Project Document, 2001
3. The DDP Project Document, 1998
4. The Programme Impact Assessment of DDP I, 2004
5. The Local Government Act, 1997, with amendments
6. The Finance and Accounting Regulations, 1998
7. Annual Work Plans for DDP II
8. The Judiciary Strategic Plan
9. The National Gender Policy 1997
10. Gender guidelines for Parishes and Wards
11. District gender mainstreaming training workshops reports for Arua, Yumbe and Jinja
12. The District Planning Guide
13. The Harmonised Participatory Planning Guide
14. The training module on planning (handbooks and manuals)
15. Baseline Survey of Local Council Courts
16. The Communication Guide
17. Local revenue enhancement guidelines
18. Local revenue best practices and lesson learned
19. Annual Performance Assessments 2003 for Sample Districts
 - Arua District Report
 - Arua Municipality report
 - Jinja Municipality Report
 - Jinja District Report
 - Sironko Report
 - Yumbe District Report
 - Kumi District Report
20. Jinja District 3 Year Rolling District Integrated Development Plan, 2004/5 to 2006/7, Volumes 1 and 2
21. Jinja Municipal Council 3 Year Rolling Development Plan 2004/5 to 2006/7 Volume 6

ANNEX 4: PROGRAMME OF INTERVIEWS IN KAMPALA

Date/Time	Person to be met	Location
8 August 2004	Int. Consultants arrive RM and JC	
9 Aug. 9.00 a.m	Mr Vincent Ssekono Permanent Secretary, Ministry of Local Government	4 Floor Workers House
9 Aug. 12.p.m	Dr Charles Drazu	Dutch Embassy
9 Aug. 2.15 p.m	Haruna Kyamanywa and the Governance Unit	UNDP Conference Room, 3 rd Floor
10 Aug. 9. a.m	Mr Raph Ochan Permanent Secretary Ministry of Gender, Labour and Social Development	Simba Manyo Building Gender Offices, Buganda Road
10 Aug. 10.a.m	Commissioner Elizabeth Kyasiimire, Jane Ekapu, Ministry for Gender	Simba Manyo Building, Buganda Road
10 Aug. 4 p.m	PCU and Component Managers	PCU Office Workers House
11 Aug. 9.a.m	Justice Law and Order Sector (JLOS) Attn: Donal Cronin; Irish Aid	Acacia Avenue
11 Aug. 11. a.m	Gender Donor Group: Catherine Guma and Justina Stroh	Dutch Embassy
11 Aug. 3.p.m	LGFC (LRECC) Attn: Lawrence Banyoya	Workers House
12 Aug. 9. a.m	LRE & LCC future support (attn: Daniel Iga and Peter Dyrbak) Danida	Rwenzori House
12 Aug. 3 p.m	Poverty Monitoring Unit; Ministry of Finance; Attn: Margret Kakande,	Finance Building
12 Aug. 4 p.m	Honourable Zoe Bakoko Baruku Minster for Gender, Labour and Social Development	Simba Manyo Building Buganda Road
13 Aug. 8.30 am	Poverty monitoring Unit UPPAP – Richard Ssewakiryanga	Finance Building
13 Aug 11 a.m	ULAA, Raphel Magezi	NIC Building
26 Aug 10.a.m	Dr Charles Drazu Dutch Embassy – DDSG	Dutch Embassy
26 Aug. 3 p.m	Tom Nkayarwa Sam Emuria	MoLG
31 Aug. 2004 at 10.a.m	Governance Unit, and Component Managers,	UNDP conference room 3 rd floor
1 September 2004 11.a.m	Meet a team from the Judiciary: Attention Mr Gidudu	Court Chambers Buganda Road

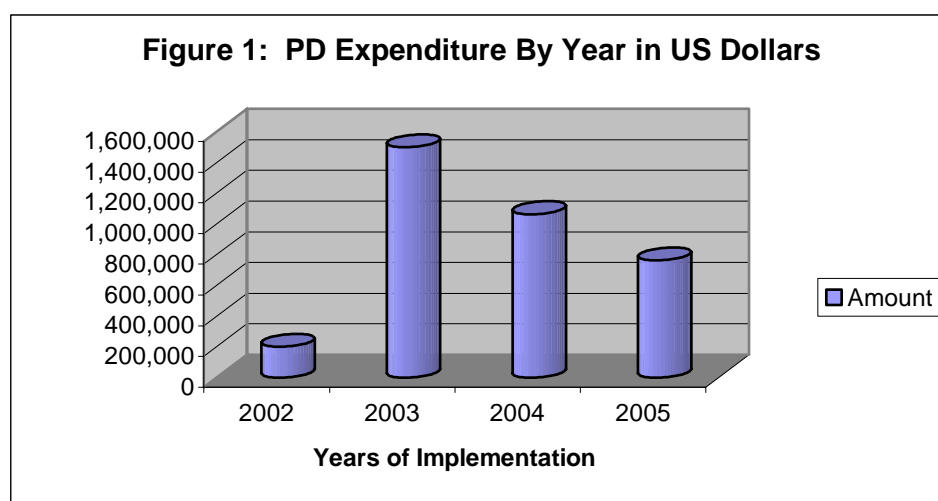
ANNEX 5: EVALUATION PROGRAMME IN THE DISTRICTS

Time of Day	Monday 16 th August	Tuesday 17 th August	Wednesday 18 th August	Thursday 19 th August	Friday 20 th August	Saturday 21 st August	Monday 23 rd August	Tuesday 24 th August	Wednesday 25 th August	Thursday 26 th August	Friday 27 th August	Saturday
Early Morning 08:30 – 10:30	Arua District Executive FGD (HLG 1)	HLG 2 FGD and Interviews Arua Urban (2 cells of the 2 wards in the two divisions and by the two teams LLG5-6	H1 2 Arua Rural District Parishes from which village councils selected. LC 2	HLG 1 LLG 3-4 S/C Technical Planning Committee, Investment Committee FGD	HLG 3 LLG 7-8 Yumbe District Rural FGD 2 Village Councils of 2 different Sub Counties	Return to Kampala	HLG 4 Jinja District Executive FGD	HLG 5 FGD and Interviews Jinja Urban (2 cells of the 2 wards in the two divisions and by the two teams LLG 11-12	HLG 4 2 Jinja District Parishes from which village councils selected. LLG 9-10	District Executive Meetings HLG 6 Sironko & Kumi HLG 7	HLG 6 and 7, LLG 15 – 16 S/C Executive Technical Planning Committee, Investment Committee FGD and KII with Chairperson of LC 3 on LCC	Travel Back to Kampala
Mid Morning 10:30 – 12:30	Arua District Technical Planning Committee Brief and KII Arrangements for S/C, Parish Protocol H1 and other clarifications and arrangements	2 Wards of the 2 Divisions of Arua Municipality FGD	H1 Arua S/C Technical Planning Committee, Investment Committee FGD and KII with S/C LC 3 Chairperson on LCC Appeal LLG 1-2	Debrief Arua District Executive and DTPC Travel to Yumbe	HLG 3 LLG 7-8 :2 Yumbe Rural District Parishes from which village councils selected.	Complete Report For Arua and Yumbe	HLG 4 Jinja District Technical Planning Committee Brief and KII Arrangements for S/C, Parish Protocol H1 and other clarifications and arrangements	HLG 5 2 Wards of the Divisions of Jinja Municipality FGD with PDC LC 2	HLG 4 LLG 9-10 S/C Executive Technical Planning Committee, Investment Committee FGD and KII with Chairperson of LC 3 on LCC	Sironko and Kumi District Technical Planning Committees Briefs HLG 6 and HLG 7 Arrangements for Sub County and Parish Protocol and clarifications	Debrief Sironko and Kuni District Executives and DTPC	

Early Afternoon 14:00 – 15:30	Arua Municipal Executive FGD (HLG2)	Arua Municipal 2 Divisions Technical Planning Committees plus Investment Committee FGD and KII LC 3 Chairperson : LC 3	HLG 1 LLG 3-4 Arua District Rural FGD 2 Village Councils of 2 different Sub Counties	HLG 3 Yumbe District Executive FGD	Yumbe HLG 3 LLG 7-8 S/C Technical Planning Committee, Investment Committee FGD		HLG 5 Jinja Municipal Executive FGD	HLG 5 LLG 11-12 2 Divisions Executive Technical Planning Committees, Investment Committee FGD and KII with chairperson of Division on LCC H5	Debrief Jinja District Executive and DTPC Travel to Sironko and Kumi Districts as Two Teams	Sironko and Kumi Rural Village FGDs LLG 15-16 HLG 6 and HLG 7	Travel back to Mbale Team Meeting	
Mid Afternoon 15:30 – 17:00	Arua Municipal Technical Planning Committee Brief and KII Arrangements for Division and Ward Protocol and clarifications	Arua District Rural FGD 2 Village Councils of 2 different Sub Counties HLG 1 LLG 1-2	HLG 1 2 Arua Rural District Parishes from which village councils selected. LLG 3-4	Yumbe District Technical Planning Committee Brief and KII HLG 3 Arrangements for S/C and Parish Protocol and clarifications	Debriefing Yumbe District Executive and DTPC		HLG 5 Jinja Municipal Technical Planning Committee Brief and KII Arrangements for Division and Ward Protocol and clarifications	HLG 4 2 Villages Jinja Rural District FGD LLG 9-10	Arrival Sironko and Kumi	HLG 6, HLG 7 LLG 15-16 :2 Sironko and Kumi Rural District Parishes from which village councils selected.		

ANNEX 6: DDP 2 Budget as per Project Document

Code	Budget Line	Total Allocation	Allocation by Year in US Dollars			
			2002	2003	2004	2005
011	International Experts					
11.01	International Expert LRE	450,000		150,000	150,000	150,000
016	Mission Costs					
16.01	Mission Costs	100,000		25,000	50,000	25,000
16.03	Project Evaluation	120,000		50,000	70,000	
16.04	Audit	45,000		15,000	15,000	15,000
017	National Professionals					
17.01	LRE	190,000	100,000	50,000	40,000	
17.02	PPB	120,000		36,000	36,000	54,000
17.03	GM	60,000		30,000		30,000
17.04	LJ	60,000		30,000	30,000	
030	Training					
31.01	Group Training LRE	416,000	100,000	176,000	140,000	
31.02	Group Training PPB	126,500		30,000	30,000	66,500
31.04	Group Training LJ	60,000		30,000	30,000	
32.01	In Service Training LRE	200,000		75,000	75,000	50,000
32.02	In Service Training PPB	126,500		30,000	30,000	66,500
32.03	In Service Training GM	80,000		25,000	25,000	25,000
32.04	In Service training LJ	40,000		20,000	20,000	
034	Conferences and Meetings					
34.01	LRE	110,000		40,000	30,000	40,000
34.02	PPB	233,000		105,000	70,000	58,000
34.06	PMU	45,000		15,000	10,000	20,000
34.03	GM	75,000		25,000	25,000	25,000
34.04	LJ	80,000		40,000	40,000	
045	Equipment					
45.01	NE Equipment District PPB	38,000		38,000		
45.02	NE Equipment New PMU	100,000		100,000		
45.03	NE Equipment LJ	100,000		100,000		
45.04	Premises	75,000		25,000	25,000	25,000
053	Sundries and Contingencies					
53.01	Sundry	34,000		12,000	10,000	12,000
53.02	O&M EDP Equipment	30,000		10,000	10,000	10,000
53.50	Contingencies	110,000		110,000		
093	Programme Support Costs					
93.02	Agency Support	290,000		100,000	100,000	90,000
	Budget Total	3,520,000	200,000	1,497,000	1,061,000	762,000



Source: Based on Project Document Figures

ANNEX 7: Plan of Operations for the Three-Year Period

Output/Activity	Milestones	Year 1	Year 2	Year 3	Total Targets
CPPB		Annual Targets			
HPPG, tested, refined and implemented	#LLC received incentives for increased participation in HPPG	115	115	115	345
Stakeholder Meetings CSOs/NGOs	# Meetings	28	28	28	84
Support refinement of LG and NSPBP	Baseline Survey Planning Guidelines linked to FDS for LLGs	115	115	115	345
Support PSC/PTC participation in FDS Guidelines	IPF s of line Ministries and donors publicised to LGs	4 PSC 4 PTC	4 PSC 4 PTC	4 PSC 4 PTC	12 PSC 12 PTC
Studies to capture lessons	Lessons Learned Document	4	2	2	8
Biannual National Level Discussions to disseminate lessons	Bi-annual national level discussions	2	2	2	6
LRE					
Establish and Support LRE Task Force	Meetings held and materials circulated	12	12	12	36
Best Practices Inventory	Inventory Conducted	1			1
Devise and test simplified procedures, guidelines	Guidelines produced	1			1
Conduct LRE Action research on Property Tax			1		1
Capacity Building Program for Property Valuers	Program Produced		1		1
Gender Sensitive communication Strategy for councillors tax payers					
Pilot awareness campaigns	Campaign completed	1			1
Disseminate information from studies		4			4
Round table discussions on experiences and best practices	Round Tables held	4	4	4	12
Review and Replication a process of PPP		1			1
Gender Mainstreaming					
Inventory of existing GM guidelines	Inventory	1			1
Create/Revise Integrated GM Guidelines and Indicators	Guidelines Revised	1			1
Conduct skills audit for gender focal persons		1			1
Refresher Courses on Gender analysis				8 115	123
Exchange programs between LLGs to share experiences	# of LGs holding round table discussions			115	115
Sensitise and orient women councillors	# Workshops completed		6		6
Institutionalisation of GM Task Force	Quarterly meetings of GM Task Force	4	4	4	12
Review Gender Focal Point RRR to all Ministries and MOLG	Gender Focal Persons established in all Ministries and LGs			8 7	
Retool offices of GFP	Offices retooled	6			6
Strengthen Local Council Courts					
LCC Strengthening strategy elaborated	Document submitted	1			1
Elaborate action plan	Action Plan		1		1
Training of Trainers in 4 districts	4 District teams		1		1
Training of S/C, Parish and LC 1 district trainers	80 S/Cs 360 Parishes 3200 Village Courts		3640		3640
Conduct awareness campaigns in districts and sub counties	Awareness campaigns completed		6		6

ANNEX 8: Disbursements from the PCU to the Component Managers was as follows for 2003 and 2004

Date	Component	Output Code	Description	Amount
13/11/03	1	32.02		52,749,000
05/01/04	1	45.02		321,516
30/04/04	1	17.03		675,000
19/05/04	1	32.02		23,310,000
08/07/04	1	34.04		350,000
Sub Total				77,405,516
29/04/03	2	60.00	Transfer to LGFC	34,828,875
25/09/03	2	32.01	Property Tax training in RSA	9,717,000
29/09/03	2	32.01	Fees Property Tax training RSA	2,786,000
28/10/03	2	60.00	2 nd Transfer to LGFC	222,676,990
20/11/03	2	60.00	3 rd Transfer to LGFC	246,000,000
27/05/04	2	60.00	Transfer to LGFC	48,000,000
Sub Total				564,008,865
07/05/03	3	61.00	Transfer to GM	83,589,300
28/10/03	3	61.00	2 nd Transfer to MOGLSD	155,311,430
12/12/03	3	45.02	2 Generators for MOGLSD	4,200,000
14/04/04	3	61.00	3 rd Transfer to MOGLSD	67,760,684
30/04/04	3	17.04	Advertising Gender RFP	6,976,800
30/04/04	3	17.04	Advertising Gender RFPs	7,524,000
08/07/04	3	32.02	Payments for Adverts	7,740,000
08/07/04	3	45.02	Vehicle Maintenance	284,310
Sub Total				333,386,524
17/11/03	4	32.03	Training of LCC	26,400,000
17/11/03	4	32.03	Training of LCC	22,400,000
Sub Total				48,600,000

Source: PCU Report