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STRENGTHENING DECENTRALIZATION IN UGANDA PHASE 2 (SDU II) LESSONS LEARNED REVIEW



DECEMBER 2007

This publication was produced for review by the United States Agency for International Development. It was prepared by ARD, Inc.

This Lessons Learned Review of the Strengthening Decentralization in Uganda II (SDU II) Project resulted from collaboration among USAID/Uganda, SDU II project staff, officials of the Government of Uganda (GOU), and the ARD home office. The review was written by Dawn Traut and produced by ARD, Inc. ARD would like to acknowledge a number of people whose logistical and substantive assistance greatly contributed to this report. These include Kevin Curnow, the former SDU II Chief of Party (COP), and Anka Kitunzi, the current COP, who brought a comprehensive understanding of the project and its history. The SDU II staff contributed important observations and insights, rooted in first-hand understanding of the project activities in the field. GOU officials and staff associated with national and sub-national governance made substantial contributions through their meetings with Ms. Traut. Recognition also goes to ARD's Senior Technical Advisor/Manager, Peter Clavelle; ARD's Project Manager, Marc Companion; and the USAID Cognizant Technical Officer, Danielle Reiff, who provided valuable guidance, feedback, and support.

Prepared for the United States Agency for International Development, Contract Number 617-C-00-04-00009-00, Strengthening Decentralization in Uganda Phase 2 (SDU II)

Implemented by:
ARD, Inc.
P.O. Box 1397
Burlington, VT 05402



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CONTENTS

- ACRONYMS AND ABBREVIATIONS iii**
- EXECUTIVE SUMMARY I**
- 1.0 BACKGROUND..... 3**
- 2.0 DESCRIPTION AND EVOLUTION OF SDU II..... 5**
- 3.0 PURPOSE AND METHODOLOGY OF THE REVIEW..... 9**
- 4.0 ACCOMPLISHMENTS OF THE SDU II PROJECT 11**
 - 4.1 IMPROVED AND HARMONIZED PUBLIC FINANCIAL MANAGEMENT..... 11
 - 4.2 INCREASED INTER-SECTORAL BUDGETING FLEXIBILITY IN NORTHERN UGANDA.. 14
 - 4.3 DEVELOPMENT OF MODEL RULES OF PROCEDURE FOR LOCAL GOVERNMENT OPERATION IN A MULTI-PARTY ENVIRONMENT..... 15
 - 4.4 DEVELOPMENT OF THE NATIONAL PUBLIC PROCUREMENT INTEGRITY SURVEY 15
 - 4.5 IMPROVED TRACKING OF LOCAL PROCUREMENT PROCESS: THE UNIVERSAL PRIMARY EDUCATION CAPITATION GRANT TRACKING STUDY 15
 - 4.6 INCREASED CAPACITY OF PERSONS WITH DISABILITIES TO ENGAGE IN LOCAL GOVERNMENT BUDGET AND PLANNING PROCESSES..... 16
 - 4.7 SPECIAL ACTIVITIES FUND PROGRAM..... 16
 - 4.8 INCREASED CONSULTATION AMONG STAKEHOLDERS IN THE JUBA PEACE PROCESS 17
 - 4.9 TOOLS, SYSTEMS, PROCEDURES, AND STUDIES FOR FUTURE USE 17
- 5.0 CHALLENGES AND OPPORTUNITIES..... 19**
 - 5.1 ABOLISHMENT OF THE G-TAX..... 19
 - 5.2 NEW DISTRICTS 19
 - 5.3 PROCUREMENT REGULATIONS..... 20
 - 5.4 SMALL GRANTS CORRUPTION 20
 - 5.5 LACK OF PARTICIPANT UNDERSTANDING 20
- 6.0 LESSONS LEARNED FROM THE SDU II APPROACH 23**
 - 6.1 ACTIVITY DESIGN..... 23
 - 6.2 ACTIVITY MANAGEMENT..... 25

6.3 EFFECTIVE TIME-SENSITIVE AND MENTORING APPROACH TO TECHNICAL ASSISTANCE AND CAPACITY BUILDING	26
6.4 GRANT-MAKING	29
6.5 SUSTAINABILITY	29
7.0 RECOMMENDATIONS FOR FUTURE RELEVANT PROGRAMS IN UGANDA	31
7.1 TIME-SENSITIVE AND HANDS-ON TRAINING APPROACH	31
7.2 RECRUITMENT OF KNOWLEDGEABLE LOCAL STAFF	31
7.3 PRIVATE SECTOR INVOLVEMENT	31
7.4 SUSTAINABILITY	32
7.5 RETAIN THE COMMITMENT TO STRENGTHENING LOCAL GOVERNMENT AND IMPLEMENTING FISCAL DECENTRALIZATION	32
7.6 CITIZEN PARTICIPATION	32
7.7 ALTERNATIVE SOURCE OF LOCAL REVENUE	33
APPENDICES.....	35
APPENDIX A. MAP OF SDU II LOCAL GOVERNMENTS	37
APPENDIX B. SUCCESS STORIES	39
APPENDIX C. USAID/UGANDA CLOSE-OUT LETTER.....	45
APPENDIX D. LIST OF INTERVIEWS FOR THE SDU II LESSONS LEARNED REVIEW ..	49
APPENDIX E. LIST OF PRIVATE SECTOR ORGANIZATIONS	51

ACRONYMS AND ABBREVIATIONS

APM	Advanced Participative Methods
AWP	Annual Work Plan
BFP	Budget Framework Paper
CAO	Chief Administrative Officer
CBO	Community-Based Organization
COP	Chief of Party
DDP	District Development Plan
EU	European Union
FBO	Faith-Based Organization
FDS	Fiscal Decentralization Strategy
G-Tax	Graduated Tax
GOU	Government of Uganda
IDP	Internally Displaced Person
IFMS	Integrated Financial Management System
IGG	Inspector General of Government
IT	Information Technology
LG	Local Government
LGBC	Local Government Budget Committee
LGDP II	Local Government Development Program Phase II (World Bank)
LGFC	Local Government Finance Commission
MOFPED	Ministry of Finance, Planning, and Economic Development
MOLG	Ministry of Local Government
NUDIPU	National Union of Disabled People in Uganda
OPM	Office of the Prime Minister
PPDA	Public Procurement and Disposal of Public Assets Authority

PRDP	National Peace, Recovery, and Development Plan for Northern Uganda
WB	World Bank
WD	People With Disabilities
SAF	Special Activities Fund
SDU I	Strengthening Decentralization in Uganda Project Phase 1
SDU II	Strengthening Decentralization in Uganda Project Phase 2
ULGA	Uganda Local Governments Association
UPE	Universal Primary Education
USAID	United States Agency for International Development

EXECUTIVE SUMMARY

Uganda's system of decentralization is one of the most ambitious efforts in sub-Saharan Africa that aims at devolving significant power and resources to local levels of government. The Local Councils Statute (enacted in 1993) and the Provisions for Local Government (in the 1995 Constitution) put into motion the process of decentralization. The 1997 Local Governments Act firmly established the legal basis for strong local government. It is in this context that USAID began, in 2001, to support activities to increase local government service delivery capacity.

Between July 2004 and December 2007, Strengthening Decentralization in Uganda Phase II (SDU II) implemented a program to: 1) build the capacity of government in the areas of planning and budgeting to effectively implement the Government of Uganda's Fiscal Decentralization Strategy (FDS); and 2) improve public procurement at the local level.

SDU II's approach evolved and expanded over the life of the project. Delays launching the implementation of legal reforms and institutional constraints affected programmatic improvements to procurement at the local level. Simultaneously, several opportunities presented themselves to improve local governance and expand citizen participation in Northern Uganda. SDU II therefore focused on areas that were more likely to succeed. After the first year of the project, the SDU II team increased its focus on the FDS component and responded to the evolving needs of marginalized communities, mainly in Northern Uganda, in the project's final year.

Key elements of SDU II's success included the team's flexibility and responsiveness to the needs of its stakeholders and USAID. The team was also hands-on and time-sensitive in its approach. Technical assistance was harmonized with the milestones and schedules of the local government budget process so that it responded directly to the needs of the local governments (LGs), and the team was mindful of the availability of government staff and councilors. The project gained a positive reputation for quickly and effectively delivering technical assistance in conjunction with Ugandan partners, donors, and organizations.

This SDU II Lessons Learned Review begins with a background on decentralization in Uganda and a description of the SDU II contract. These are followed by the purpose and methodology of the Lessons Learned Review, and accomplishments, evolution, and challenges of the project. At the heart of the report is a summary of themes and lessons learned gained through interviews, a workshop, and a review of the SDU II project. The report concludes with recommendations for related future projects in Uganda.

Lessons learned presented in this report address program design and management, capacity building for effective implementation of the FDS, local government procurement, grant-making, flexibility and responsiveness to stakeholders; and sustainability.

ARD makes the following recommendations for future programs in Uganda:

- Use a time-sensitive delivery approach, not only in regard to local cycles (in the case of SDU II, budget cycles), but also in general. This includes being mindful of the timing of assistance, including availability of government staff and process schedules.
- Teach stakeholders skills by providing hands-on training, rather than simply conducting training events and workshops. Stakeholders learn best by "getting the work done." SDU II stakeholders were grateful for this pragmatic mentoring approach, as it allowed them to function more effectively in their jobs.

- Recruit staff with experience working in Uganda on relevant technical issues. This enables the project to quickly establish working relationships and achieve results with stakeholders.
- Build the capacity and continue to use local private sector firms and consultants to implement, monitor, and evaluate development projects. This encourages sustainability and increases social capital in Uganda.
- Work with the Government of Uganda to develop a follow-up plan and needs support to ensure continued implementation of the FDS component. It has been suggested that the government could develop a post-SDU II plan to ensure that skills are being handed over to new staff and technical assistance is provided to non-SDU II LGs.
- Strengthen the capacity of citizens to participate in the identification, prioritization, and discussion of issues with LGs. Local governments with which SDU II worked now have the capacity to plan and budget to better respond to citizens' needs.
- Establish a viable and effective source of local revenue for LGs. As stated by one key SDU II stakeholder, “the inability of local governments to generate local revenues seriously affects the viability of local governments and their ability to provide services to citizens.”

I.0 BACKGROUND

Uganda's system of decentralization is one of the most ambitious efforts in sub-Saharan Africa that aims at devolving significant power and resources to local levels of government. The Local Councils Statute (enacted in 1993) and the Provisions for Local Government (in the 1995 Constitution) put into motion the process of decentralization. The 1997 Local Governments Act firmly established the legal basis for strong local government. It is in this context that USAID began, in 2001, to support activities to increase local government service delivery capacity.

Over the past ten years, the Government of Uganda (GOU) has proven its commitment to implementing decentralization reforms. According to the Ministry of Local Government (MOLG), significant improvements have been made in systems and processes. Service delivery decentralization, alongside fiscal decentralization and devolution of administrative power to local governments (LGs) has led to increased citizen participation and enhanced governance capacity. This has resulted in increased opportunities for people at the village level to engage with LG administration in the planning, budgeting, public procurement, and accountability processes. USAID's Strengthening Decentralization in Uganda Phase II (SDU II), implemented by ARD, Inc., has played a major role in the harmonization of fiscal and service delivery information recording and reporting. Prior to SDU II interventions, almost all of the LGs were reporting to the central level through a non-uniform process using various formats. Project activities have improved central government's ability to track and monitor service delivery and accountability aspects of public expenditure. The GOU has continued to demonstrate its political will to these reforms, and LGs are in place and functioning.

Funding to LGs has increased from less than 10 percent of the total national budget prior in 1990 to 33 percent of the current total national budget. Since 2003 a Fiscal Decentralization Strategy (FDS) was instituted to ease reporting and, more importantly, to allow LGs more latitude to make autonomous budgetary and expenditure decisions. LGs are now allowed 10 percent budget flexibility by reallocating conditional or earmarked transfers. The strategy of the central government is to allow LGs to develop and mature into responsible and fully accountable public entities. Eventually the central government will make block grants without conditionalities.

Some of Uganda's recent recentralization trends warrant attention. Abolition of the Graduated Tax (G-Tax) further decreased the financial autonomy of LGs. Whereas up to 90 percent of LG budgets are funded through central government transfers (particularly for the very poor and rural-low-revenue base LGs), the LG revenues from own sources are used for co-funding LG projects with Local Government Development Program II (LGDP) funds and for financing the vital Council meetings. Without these meetings, LGs are virtually non-functional as this is where all business is sanctioned. The appointments of Chief Administrative Officers (CAOs) and Town Clerks carried out by LGs through the LG District Service Commissions prior to 2006 were recentralized through a Constitutional amendment.

Through its FDS, the GOU has introduced wide ranging reforms to the budget process that are aimed at increasing the capacity of local governments to respond to locally identified priorities. The goal of the FDS is to streamline the transfer of responsibilities to LGs and to give local officials and citizens more control over the allocation of their funds. In February 2004, SDU I, under Management Systems International, Inc., began implementation of the FDS in Gulu Municipal Council and Tororo District. The activity's overall objective was to review the financial management reforms being carried out under FDS, the Integrated Financial Management System (IFMS), and the use of budgeting manuals. With technical support from SDU II 33 LGs now have the ability to effectively provide information to the central level, resulting in streamlined transfers

to the local levels that respond more closely to communities' needs. In December 2005, the GOU adopted the FDS tools developed by SDU II, and it is currently rolling out the tools and processes to all LGs in Uganda.

2.0 DESCRIPTION AND EVOLUTION OF SDU II

Between July 2004 and December 2007, SDU II implemented a program to: 1) build the capacity of government in the areas of planning and budgeting to effectively implement the FDS; and 2) improve public procurement at the local level.

SDU II's approach evolved and expanded over the life of the project. Delays launching the implementation of legal reforms and institutional constraints affected programmatic improvements to procurement at the local level. Simultaneously, several opportunities presented themselves to improve local governance and expand citizen participation in Northern Uganda. SDU II therefore focused on areas that were more likely to succeed. After the first year of the project, the SDU II team increased its focus on the FDS component and responded to the evolving needs of marginalized communities, mainly in Northern Uganda, in the project's final year.

Over 42 months of implementation, SDU II underwent significant programmatic modifications as it responded to delays related to finalizing relevant LG procurement law, conducting surveys and studies, supporting people with disabilities (PWDs), and strengthening the capacity of LGs in Northern Uganda. SDU II developed a flexible approach that struck a balance between responding to the needs of Ugandan stakeholders and proactively searching out opportunities to support both SDU II and non-SDU II LGs. Furthermore, the project was highly responsive to USAID's request to work on specific activities (i.e., building capacity of PWDs and LGs in the north and working on the Juba Peace Process). The following table illustrates the project's evolutions and responses to USAID.

Year I

Mandate:

- 1) Build the capacity of government in the areas of planning and budgeting to effectively implement the FDS
- 2) Improve public procurement at the local level
- 3) Provide funding for specific projects through a Special Activities Fund (SAF) that contributes to decreasing the spread of HIV/AIDS by supporting faith-based organizations (FBOs) and community-based organizations (CBOs)

Timeframe: August 2004–December 2005

Challenges: Abolishment of the Graduated Tax created delays in the budget and planning process and, in some cases, LGs were unable to function because of lack of resources; delays in passing of legislation on procurement at the local level

Opportunities: High levels of commitment to implement the FDS among stakeholders at both the central and local levels; SAF added to SDU II contract to strengthen the advocacy capacity of CSOs and FBOs, expand service delivery, and create networks to enhance synergy of service providers

Year 2

Mandate:

- 1) Build the capacity of government in the areas of planning and budgeting to effectively implement the FDS
- 2) Improve public procurement at the local level, including the Universal Primary Education (UPE) Tracking as described in Section 4.5
- 3) Enable a meaningful participation of PWDs in the planning, budgetary, and implementation processes of LGs
- 4) Undertake a set of activities to increase the capacity of LGs in Northern Uganda

Timeframe: January–December 2006

Challenges: Continued delay of approval and implementation of laws related to procurement at the local level; abolition of the Graduated Tax resulted in timing and resource issues for SDU II LGs; new districts created; corruption among SAF recipients

Opportunities: Strengthened capacity of LGs in Northern Uganda, with a focus on women and youth; strengthened advocacy capacity of PWDs; roll-out of FDS to non-SDU II districts; UPE tracking studies conducted to track corruption and recommend areas of improvement

Year 3

Mandate:

- 1) Build the capacity of government in the areas of planning and budgeting to effectively implement the FDS and, more specifically, convince GOU to approve a 50% flexibility for the LGs in Northern Uganda
- 2) Improve public procurement at the local level, including presenting findings of the UPE Tracking Study as described in Section 4.5
- 3) Enable a meaningful participation of PWDs in the planning, budgetary, and implementation processes of LGs
- 4) Provide funding for specific projects that contribute to the decrease and spread of HIV/AIDS by supporting FBOs and CBOs
- 5) Undertake a set of activities to increase the capacity of LGs in Northern Uganda
- 6) Support the Juba Peace Process consultations

Timeframe: January–December 2007

Challenges: Continued delay of National LG Procurement Operating System; Public Procurement and Disposal of Public Assets Authority (PPDA) requirements that LGs use the central government mandatory documents and threshold figures, compounded by the unreasonable threshold figures for the LGs, resulting in micro-procurements without any form of regulation or control; corruption revealed among SAF recipients

Opportunities: Study on local government in a multi-party setting in Uganda conducted, resulting in the development of Model Rules of Procedures; continued success implementing and improving the FDS for both SDU II and non-SDU II districts; logistical support of the Juba Peace Process consultative process

Starting in October 2006, SDU II expanded its focus to:

- Support PWDs to advocate for their needs at the LG level;
- Administer a small grants fund for FBOs and CBOs to enhance interaction with LG bodies;
- Build the capacity of women councilors in Northern Uganda;

- Enhance negotiating capacities of LGs in Northern Uganda;
- Facilitate the LG Resource Allocation Hearings Consultative Meetings;
- Increase the understanding of the multi-party environment to LGs in the north; and
- Support the Juba Peace Process.

3.0 PURPOSE AND METHODOLOGY OF THE REVIEW

This review of lessons learned from SDU II has been conducted at the request of the MOLG. Its purpose is to determine the technical and administrative aspects, systems, and tools of the SDU II project that did—and did not—work and to provide salient recommendations for related future endeavors. The timing of this review is appropriate as the SDU II project is winding down and several USAID-funded democracy and governance projects are beginning their implementing activities.¹

“SDU II’s approach was a friendly, partnering approach rather than a hierarchal training approach—to help us improve our processes and systems. We had very good interactions with the team and could call them at any moment with questions and requesting support. This ensured our commitment to the project and the success of SDU II.”

—Raphael Mageazi (Secretary General, Uganda Local Governments Association)

This review took place in October and November 2007, in the final quarter of the SDU II program. The Lessons Learned Specialist: 1) identified key elements of the project history through interviews and a document review; 2) established a framework with USAID, SDU II senior staff, and stakeholders; 3) gathered the perspectives and experiences of SDU II staff and stakeholders through interviews, a workshop, and a document review; 4) analyzed information and culled lessons learned; and 5) provided salient recommendations for related future projects in Uganda. A list of those interviewed can be found in Appendix D.



Robert Kalembo discusses final recommendations at the lessons learned workshop, November 2007.

¹ The Linkages project (SUNY/RTI), the Anti-Corruption Country Threshold Program (ARD), and SPRING (TBD).

4.0 ACCOMPLISHMENTS OF THE SDU II PROJECT

The SDU II project worked in a total of 33 sub-national governmental units (26 districts and seven municipalities) to: 1) develop an integrated and uniform operating system to improve budgeting and planning capacities of local governments; 2) build the capacity of local governments to use systems and tools to easily and transparently develop annual budgets and work plans; 3) improve public procurement processes at the local level; and 4) respond to supplemental requests for assistance to improve service delivery, also at the local level. A map of SDU II LGs can be found in Appendix A.

SDU II accomplishments include:

- Improved and harmonized public financial management;
- Increased inter-sectoral flexibility in northern Uganda;
- Development of model rules of procedure for LG operation in a multi-

The following sections highlight these accomplishments.

4.1 IMPROVED AND HARMONIZED PUBLIC FINANCIAL MANAGEMENT

According to the World Bank (WB), Uganda is now at the forefront of LG public financial management in sub-Saharan Africa. SDU II assisted the GOU in a major move forward in public financial management. The project developed local government planning and budgeting tools that are among the most advanced and user-friendly in the region. Processes to

streamline transfers to LGs have now been adopted nationwide by the GOU in a national roll-out that began in December 2005. The GOU has approved the FDS process for:

- Achieving transparent, needs-based, and poverty-sensitive allocations of sector funds among local governments;
- Streamlining transfers to LGs to remove administrative burdens while increasing transparency and efficiency both at the central and local governments; and
- Increasing local government autonomy with respect to planning, budgeting, and implementation of national sector policy.

Prior to SDU II, every district had a different format for planning and budgeting. Now all formats are uniform, helping government to analyze and compare data both at the central and local levels. SDU II's FDS software training and mentoring approach have resulted in better understanding by LGs as to how plans and budgets are linked. This allows LGs to procure goods and services before the central government deadline at which time they must return unused funds.

Prior to SDU II support, budget framework papers (BFPs) were voluminous and contained information not needed at the central government level. BFPs have since been simplified and decreased dramatically in size. SDU II LGs now understand what information is required, leading to better analysis and data comparison between districts. This has decreased their workload substantially while improving the BFP quality. One interviewee stated that “the implementation of FDS would have been a nightmare, as many LGs did not understand the previous budgeting and planning system. Now they have the challenge of learning a new system and needed someone to develop...software...to help them get their job done...SDU II provided this service.” The SDU II system saved stakeholders time and money and increased efficiency. Additionally, some SDU II LG staff are now able to train non-SDU II LGs in FDS.

Prior to SDU II intervention, the LGs would need three to five weeks to prepare BFPs. Furthermore, the papers were not linked to District Development Plans (DDPs) and annual work plans (AWPs) and were in non-uniform formats and difficult to compare across districts. Apart from harmony and uniformity, the new budgeting process saves LG time and money and has resulted in effective implementation of the FDS.

“The GOU annual budget process for the FY 2006–2007 started in earnest this week with a series of regional budget conferences that will go on up to December 23. The budget conferences will be interrupted briefly with the holding of the National Budget conference on Monday, December 12. This time around, the GOU has placed a requirement on all local governments to use the SDU II-developed formats and software while drafting their BFPs, annual work plans (AWPs), and budgets. This is a remarkable achievement for the GOU but also [for] SDU II and USAID because, for the first time, all local governments in Uganda will produce integrated, consistent, and harmonized BFPs, AWPs, and budgets. These formats and this software...adopted by the GOU were developed, simplified, and refined by SDU II during their first year of operation. SDU II also assisted the GOU to finalize their reporting and monitoring systems and link them directly to the local government budgets and AWPs.”

—Former USAID CTO Francis Luwangwa, December 2005

The UK Department for International Development 2005 Local Government Public Financial Management (LGPFM) Assessment noted that only “... a few of the large number of LGPFM initiatives provided adequate on-the-job support to local governments to assist them to implement new initiatives. A major exception has been the support USAID is providing to local governments (under the Strengthening Decentralization in Uganda Phase II Project) in the roll-out of the FDS guidelines, which local governments benefiting...appeared to appreciate.” The assessment noted that, whereas application of the standard budget classification system introduced for LGs has been improving, these formats are not being uniformly applied in the LGs assessed. The consultants observed, however, that the application was better in those LGs receiving support from USAID/SDU II or the Ministry of Finance, Planning, and Economic Development/IFMS. On the whole, districts supported by SDU II were found to have “more realistic local government budgets with outturns more closely linked to budgets and resources allocated more efficiently. Budget guidelines were developed and were effectively operational in 31 local governments under support from SDU II and the Netherlands Development Organization (SNV, that uses USAID/SDU II-developed software and methodology). For the other (38) remaining local governments, the guidelines were in use but not effective.” The study concluded, “there is therefore need for support to the non-SDU II local governments.”

SDU II developed a uniform and user-friendly operating system that allows local governments to develop budgets and work plans. SDU II developed and implemented integrated software that enables LGs to prepare and link the LG development plans, BFPs, budgets, AWPs, and reports. The software captures all relevant GOU initiatives in order to manage and link the FDS, the IFMS, the new Chart of Accounts, the Local Government Information and Communications System

(LOGICS), the Local Government Financial Information and Analysis System (LOGFIAS), the new

reporting modalities, and performance indicator reporting. Importantly, SDU II provided 33 LGs with timely, on-site technical assistance that corresponds to the districts' annual budget cycles. The team built LG capacity to use the integrated software and budgeting tool that interlinks the three-year development plan with the annual budget framework paper, budget, and work plan through training and hands-on technical assistance. The group of LGs moved through the budget and AWP development process with speed and ease and provided the central government with the required information. For the last three years, SDU II LGs have used the software to successfully complete and submit BFPs, budgets, and AWPs effectively and by the statutory deadline. Using the uniform templates and user-friendly FDS software that automatically changed figures and data (and therefore avoiding recalculations), the Wakiso LG needed only five days to complete its BFP.

According to government officials participating in the SDU II project, the development plans and budgets from this time period reflect improved multi-sectoral and integrated HIV/AIDS, health, and education programs. Prior to SDU II, LGs had not been consistently integrating HIV/AIDS programs in their Health and Education budgets, neither for funding nor as unfunded priorities. Through advocacy and support from USAID's AIDS/HIV Integrated Model District Program, Uganda Program for Human and Holistic Development, and SDU II, the ministries of health and finance began focusing more on the importance of integrating these types of programs into plans and budgets. In 2006 and 2007, all LGs were nationally required to mainstream their HIV/AIDS plans and activities in their DDPs.

The target LGs now understand the process and are able to achieve the required outputs without substantive inputs from SDU II. All SDU II LGs have been able to achieve full compliance with the GOU budgeting and implementation procedures. These processes to streamline transfers to local governments have been adopted nationwide by the GOU in a national roll-out that began in December 2005, and they are now available for use in all Ugandan LGs.

In conclusion, the outcomes of the objective to build the capacity of government in the areas of planning and budgeting in order to effectively implement the FDS are presented below.

1. SDU II LGs have developed and are budgeting against a three-year development plan that meets the FDS requirements. The software developed by SDU II decreased the amount of effort necessary for both the central government and target LGs, while dramatically increasing the quality and management of information. In addition, the FDS component introduced a culture of information management and expanded upon the SDU II LGs' information technology (IT) capacity.
2. The three-year development plans and budgets reflected improved multi-sectoral and integrated HIV/AIDS, health, and education programs. In 2006, all SDU II LGs reportedly had mainstreamed HIV/AIDS plans into their DDPs and AWPs.
3. SDU II LGs effectively debated and approved their budgets in conformity with their constituents' priorities while monitoring expenditure performance. According to the annual LG assessments carried out by the MOLG, all SDU II LGs met the timeliness and completeness reporting indicator. This resulted in a significant reduction in the amount of LG money returned to the central government at the end the year, therefore increasing revenue at the local level.
4. The software developed is a replicable planning and budgeting model that has been rolled out to all of Uganda's LGs, and there is a simpler MS Word template version available for the weaker LGs. In the final quarter of the project, the SDU II team provided hands-on technical assistance and guidance that continued implementation in all LGs and facilitated multi-sectoral and integrated programs.

"The FDS software was extremely helpful in simplifying the budget and planning process. The only weakness [is] that the software does not capture expenditures from the previous year. You need to see where you are coming from in order to plan for the future."

**—Oyo Samson,
Municipal Planner and
Budget Desk Officer, Gulu**

4.2 INCREASED INTER-SECTORAL BUDGETING FLEXIBILITY IN NORTHERN UGANDA

After nearly 20 years of insurgency in Northern Uganda, LGs in that area are preparing for the voluntary return and resettlement of internally displaced persons (IDPs). Because of this they will need to be able to allocate funds to meet the associated cost. In the past, central government stipulated where funds should be spent, but the National Peace, Recovery, and Development Plan (PRDP) for Northern Uganda 2006–2009 clearly states that northern LGs should have the flexibility to allocate funds across sectors. SDU II delivered hands-on technical assistance to fully operationalize this process.²

Prior to SDU II, LGs had uniform budgetary flexibility of 10 percent on non-wage recurrent funds. Given the prospect of peace in Northern Uganda, SDU II assisted the Office of the Prime Minister (OPM) and Uganda Local Governments Association (ULGA) in lobbying sector ministries and Ministry of Finance and Local Government Finance Commission (LGFC) officials in the Local Government Budget Committee (LGBC) to approve the enhanced 50 percent flexibility on non-wage recurrent and development funds for Northern Uganda as proposed in the PRDP. This was intended to allow Northern Uganda LGs to address their particular needs of post conflict conditions, including return of IDPs to Northern Uganda.³

“We have been waiting for peace a long time, and to return home is our first priority when peace finally comes...Allowing the district council to spend funds to facilitate our return home is a very good thing for the government to do.”

—Kilama Bosco,
IDP in the Palenga IDP camp

SDU II implemented activities in Northern Uganda to increase the negotiating and advocacy capacities of northern LGs, facilitate LGs to effectively participate in sector negotiations through the ULGA, and work with an extensive network, including the OPM, the Director of Budget in the Ministry of Finance, Planning, and Economic Development (MOFPED), and the LGFC to increase the level of budgetary inter-sectoral reallocation flexibility from 10 to 50 percent in northern Uganda.

To increase fiscal flexibility in Northern Uganda, SDU II assisted government partners with a more consultative process through meeting with LGs and developing consensus. As a result, SDU II helped government partners to develop a well-articulated request for fiscal flexibility in the north. Most importantly, SDU II worked closely with the OPM to develop a submission request to the LGBC to increase inter-sectoral flexibility.⁴ The submission was approved and the goal was met in SDU II LGs in Northern Uganda for FY 2007–2008.

SDU II has provided the resources required by a LGFC/LGBC to conduct a monitoring exercise on appreciations and internalization of the enhanced flexibility concept among participating districts and determine why some northern LGs did not apply the budget flexibility in FY 2007–2008. The expected outcome of this exercise will facilitate a plan to improve the process and move forward for 2008–2009. The LGFC is responsible for this exercise (ending in November 2007) and will produce a report that to be incorporated into the SDU II final report.

The “Budget Flexibility in Northern Uganda” success story can be found in Appendix B.

² See Reallocation Calculations Fiscal Year (FY) 2007–2008 in the Twelfth Quarterly Progress Report.

³ For example, recently returned IDPs increase the population of a district and put a strain on resources, such as water and education facilities.

⁴ The Submission to LGBC for Increased Flexibility for Northern Uganda can be found the Ninth Quarterly Progress Report.

4.3 DEVELOPMENT OF MODEL RULES OF PROCEDURE FOR LOCAL GOVERNMENT OPERATION IN A MULTI-PARTY ENVIRONMENT

Given the high number of elected first-time local government political leaders and the re-introduction of multi-partyism in Uganda, it was necessary to increase councilor understanding of multi-party politics and strengthen capacity within this new environment. Following the development of the Rules of Procedure for the National Parliament, which guides the governing body's operation of affairs in a multi-party environment, the MOLG recognized that a similar set of model rules needed to be developed for the LGs. SDU II developed and revised the Model Rules of Procedure for Local Governments in coordination with local partners to address the new situation. The model rules were developed in association with the MOLG after extensive stakeholder consultations, and they are applicable to all LGs in Uganda. The model rules have yet to be fully implemented given the challenges related to consensus building among stakeholders. This consensus building, however, is very important to the process, as it ensured that the rules would be adopted and implemented at the local level. (This is also an example of one of the many tools and models that can be used in the future.)

4.4 DEVELOPMENT OF THE NATIONAL PUBLIC PROCUREMENT INTEGRITY SURVEY

Public procurement, especially at the local government level, is believed to be one of the principal areas in which corruption in Uganda takes place; however, the extent of the problem and the areas where it is most prevalent were initially unknown. SDU II conducted the National Public Procurement Integrity Survey in March 2006 on behalf of the PPD and the Inspector General of Government (IGG).⁵ The survey was conducted in a similar fashion to the national integrity surveys while being focused on perceptions of corruption in public procurement and disposal at a local government level in general.⁶ This survey was the most extensive undertaken in the area of public procurement in Uganda, and it has exhaustively identified areas of corrupt activity, including the actors involved and the extent of the losses. The recommendations were presented to the key stakeholders and adopted by the GOU. The report is now extensively cited by many agencies and donors, such as the WB and Millennium Challenge Corporation, as the authoritative statement on corruption in public procurement in Uganda. This is another example of a replicable tool that can be used as a baseline for further studies.

4.5 IMPROVED TRACKING OF LOCAL PROCUREMENT PROCESS: THE UNIVERSAL PRIMARY EDUCATION CAPITATION GRANT TRACKING STUDY

At the request by USAID, SDU II amended its AWP and undertook the UPE Tracking Study for the UPE Capitation Grant for FY 2005–2006.⁷ The study: 1) tracked the flow of releases, uses, and accountability of the UPE Capitation Grant within five local governments; 2) assessed compliance with UPE guidelines within

⁵ Major Findings of the National Public Procurement Integrity Survey can be found in the Tenth Quarterly Progress Report.

⁶ The IGG commissioned national integrity surveys in 1998 and 2002 to develop empirical information for discussion, analysis, and use by government, civil society, and the private sector to formulate and implement policies and programs to improve governance, thereby reducing corrupt practices.

⁷ The executive summary of the UPE Tracking Study can be found in the Ninth Quarterly Progress Report.

both central and local government; and 3) made additional recommendations for the improvement of UPE Capitation Grants management at central and local government levels. The study found that neither the GOU nor the LGs supervised or monitored the grant despite having received funding to do so. On average, 25 percent of UPE funds were used for purposes other than their original intent. The universal explanation was that the amount of available funds was small and the LGs had other more important priorities. The study provided practical recommendations for facilitating accountability. It was completed and the report presented to the Ministry of Education and Sports.

4.6 INCREASED CAPACITY OF PERSONS WITH DISABILITIES TO ENGAGE IN LOCAL GOVERNMENT BUDGET AND PLANNING PROCESSES

In 2006, USAID requested that ARD conduct activities targeting PWDs. These activities included: 1) the development of appropriate training materials, based on existing GOU PWD policy and regulations; and 2) training for PWD organizations, local government officials, and other relevant stakeholder groups.

SDU II signed a memorandum of understanding with the National Union of Disabled People in Uganda (NUDIPU) to enable PWD leaders to participate effectively in the planning and budgeting process of their LGs. SDU II developed and conducted a training of trainers session for these leaders at the regional level to allow them to cascade the training to other PWDs. While SDU II discovered that there were issues of accountability related to NUDIPU's project management, the activity's outcomes were still achieved. As a result, PWD organizations had increased capacity to lobby the local government office holders (politicians and appointed officials) over the local government national minimum budget allocation to fund activities that support PWDs. PWD organizations and individuals engaged LGs during the annual budget conference to ensure that budgetary allocations to other sectors specifically address their needs. For example in Mbarara, the LG council increased the budget for PWDs from 20,000 to 200,000 Ugandan shillings/year. The regional workshops to increase PWD participation in the planning, budgetary, and implementation processes of local government can be replicated to non-SDU II LGs.

4.7 SPECIAL ACTIVITIES FUND PROGRAM

ARD administered an SAF program under the SDU II project. This small grants program was intended to provide funding for specific projects that contribute to decreasing in the spread of HIV/AIDS by supporting FBOs and CBOs to:

- Strengthen institutional capacity;
- Promote networking and strengthen advocacy roles, as well as initiate and/or sustain interaction with LG institutions;
- Expand service delivery; and
- Create networks to enhance synergy of service providers.

SDU II, in collaboration with USAID/Uganda, selected 11 CBOs to participate in the SAF.⁸ The small grants were intended to develop the capacity of the HIV/AIDS CBOs to remain financially viable through economic activities. The logic behind funding these CBOs was to increase their institutional capacity to

⁸ UMOJA – Soroti, IDDAC – Iganga, ACORD – Nakapiripirit, PASO – Pallisa, KWODO - Kumi, LICODA – Lira, Youth Alive – Gulu, PACEGO – Nebbi, EWEIPID – Nebbi, TAP – Soroti, ACDO – Katakwi)

provide better services to their relevant communities and to enhance their capacities to advocate for community members within LG planning and budgeting processes. Six CBOs improved their capacity to respond to their communities and generate income for people affected by HIV/AIDS. SDU II closely monitored activities; unfortunately five of the grants were cancelled due to accountability issues. Several small projects have been successful, however, including the completion of a health center in the Kumi District (Kolir Sub-County). A full update of grants activities will be provided in the SDU II final report.

4.8 INCREASED CONSULTATION AMONG STAKEHOLDERS IN THE JUBA PEACE PROCESS

To support the Juba peace process, ARD was selected to manage the budget and logistics for the GOU’s national consultations on accountability and reconciliation. Funding came from USAID and certain European donors. By supporting Ugandan organizations, including the Amnesty Commission and the Akijul consulting company, the initiative facilitated the effective, efficient, and credible consultative process to ensure the buy-in and commitment of all stakeholders.

The local organizations developed a methodology to collect stakeholder views, facilitated 10 consultation workshops on accountability and reconciliation across the country, and interviewed groups most affected by the conflict, including Ugandans still residing in IDP camps. The processes were highly participatory and provided room for free expression and dialogue. The findings were compiled and presented at two events in Kampala: the first to all 360 members of the Ugandan Parliament, and the second to a cross-sectoral representation of GOU agencies and civil society stakeholders.



Aguti Cleauda

“Thank you USAID and SDU II for the help [on the Juba Peace Process] because without it we could not have completed the consultations in such a participative and effective manner.”

*Damian Kato, Secretary,
Uganda Amnesty Commission*

The consultative process ensured a participative involvement throughout Uganda. More than 1,500 people from all sides of the conflict voiced opinions and concerns related to the Juba Peace Process. This is another example of SDU II responsiveness, ability to deliver on short notice, and flexibility. The “Bringing Peace to Uganda” success story can be found in Appendix B.

4.9 TOOLS, SYSTEMS, PROCEDURES, AND STUDIES FOR FUTURE USE

SDU II, in collaboration with its stakeholders, developed tools, systems and procedures and conducted studies that can be used by the USAID, GOU, donors, and LGs in the future to improve financial management, decrease corruption at the local level, increase participation of marginalized groups, and work within a multi-party environment.

TOOLS, SYSTEMS, PROCEDURES, AND STUDIES FOR FUTURE USE

I. FDS reporting software

-
2. Reporting formats: BFPs and AWPp

 3. National Public Procurement Integrity Survey (The survey methodology can be replicated and the data from the 2006 survey used as a baseline.)

 4. Methodology of the UPE Tracking Study

 5. Model Rules of Procedures (At USAID's request, ARD has met with the Linkages project to discuss handing over the activity.)

 6. Regional workshop methodology to increase the participation of PWDs in budgeting and planning at the local level
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5.0 CHALLENGES AND OPPORTUNITIES

5.1 ABOLISHMENT OF THE G-TAX

The Graduated Tax (G-Tax) that contributed as much as 75% of total revenues for rural local governments was abolished by the GOU in 1990. Promises to compensate LGs for the tax loss have not been fulfilled.

The abolition of the G-Tax presented a particular challenge to SDU II because it meant the loss of a major source of untied operational funding for LG departments. In the absence of proper, effective compensation, these departments (in particular those of finance, internal audit, and planning) were effectively crippled. SDU II advised USAID, other donors, and the GOU on the immediate impacts of the abolishment and the improbability that there would be effective G-Tax compensation. As matters have unfolded, SDU II's detailed advice has unfortunately proven to be correct.

SDU II did not intentionally step into the breach to assist the funding of these critical departmental activities. Instead, the project has worked to make systems easier to use and dropped unnecessary and limiting features so that, even within a constrained environment, these departments are able to fully undertake their work.

5.2 NEW DISTRICTS

Throughout the life of SDU II, the GOU created large numbers of new districts. This was effectively a political decision, as the MOLG was not consulted in the process. The impacts on SDU II were multiple.

1. The creation of new districts meant that funding was cut to the old districts in order to meet the new administration costs. This simply served to compound the problems caused by the abolition of the G-Tax.
2. The new districts intentionally took as many experienced staff as possible from the old districts. This meant that many of the staff that SDU II had trained were moved, forcing SDU II to retrain large numbers of new staff. In the case of Gulu Municipality, the entire staff left for new districts. In other districts, the effects were not so severe because of SDU II's training approach that ensured a depth of staff prepared to train new staff. However this was not a guaranteed solution—in cases where large numbers of staff departed, those who remained often could not cope with the added training needs.
3. New districts that were carved from old districts where SDU II was present could not be supported by the project. Staff in the new districts often took advantage of the training provided in the old districts. As a result, more staff were trained than the project had planned.

4. Staff from new districts often sought guidance from SDU II, and it was in the best interest of USAID public relations to be as cooperative as possible. SDU II staff were obliged work overtime to provide assistance to the new districts.

5.3 PROCUREMENT REGULATIONS

SDU II completed the design of a procurement model to increase accountability at the local level. There were, however, several issues that prevented the implementation of this software. Stakeholders at the central and local levels were not able to agree on regulations and templates for the procurement model. At the same time, IFMS and the WB were also designing a model for local government procurement. Despite the PPDA's decision to use the WB's model (due to a previous commitment), SDU II developed one that could be refined and used in the future in the event that the GOU comes to a consensus on the issues and has a need for such a model.

The GOU progressed particularly slowly in its introduction of a set of regulations on LG procurement practices. The regulations were finally approved well into the project's third year, but they contained essential operational flaws: the GOU refused to amend the standard central government contracting documents and required that LGs amend them as needed. No LG in Uganda would amend such a document without the authority of the central government, and the central government declined to give such permission, stating that this was a matter for the LGs. For minor procurements, the LGs were supposed to use templates used by the GOU for very large central procurements; however, they balked at this process and reverted to using old Tender Board processes.

Presenting another major obstacle, the GOU used the same procurement limits for LGs as for the central government, meaning that most LG procurements became micro-procurements, effectively obviating the effect of the reforms. No LG would agree to impose new limits on itself for two reasons: 1) the GOU had set the limits and would only change them with central government consent; and 2) corrupt managers in the LGs wanted fewer limits imposed on procurement. This made it impossible to meaningfully roll out a national LG procurement process as these limitations made the process irrelevant and the standard documentation could simply not be applied.

5.4 SMALL GRANTS CORRUPTION

SDU II went to some lengths to ensure that the small grant vetting process would guarantee that recipients were trustworthy. Unfortunately, as has been detailed at length in other reports, SDU II found that almost half of the grantees engaged in activities that were not consistent with the principle of zero tolerance to corruption.

Senior SDU II staff were obliged to expend much effort and time transparently dealing with these matters. This was done in a structured manner that gave appropriate respect to due process in order to not infringe the rights of organizations and individuals.

5.5 LACK OF PARTICIPANT UNDERSTANDING

According to a few government officials, the FDS process was easier since information was simplified and issues could be more easily identified and analyzed. These officials were therefore able to prepare more convincing funding arguments and present information to communities. Sometimes this resulted in better citizen understanding of resource constraints. In some cases, however, budget and planning events were still

challenging as some communities did not understand the objectives and used the opportunity to lay blame and/or request unreasonable amounts of resources for their communities. Some workshops came to a point where neither the LG nor the citizens could productively communicate on planning and budgeting issues. Possibilities for future efforts to encourage participation in budgeting and planning meetings could include opportunities (before formal events) for citizens to learn about the budget process and resource constraints, air grievances, and identify priorities. This approach could improve not only the quality of the events, but also increase citizen participation in local government matters.

6.0 LESSONS LEARNED FROM THE SDU II APPROACH

This section highlights SDU II themes and the lessons learned related to: 1) Program Design and Management; 2) Capacity Building for Effective Implementation of the FDS; 3) Local Government Procurement; 4) Grant-making; 5) Flexibility and Responsiveness to Stakeholders; and 6) Sustainability.

6.1 ACTIVITY DESIGN

The main activity design lesson learned was that USAID designed the SDU II project based on the successes of SDU I. FDS provided a window of opportunity with which to improve local governance. USAID designed a program that easily gained momentum due to existing political will and commitment among the stakeholders. While some government officials provided input into SDU II's design, many central and local level officials expressed their wish that USAID had used a more inclusive approach to project design. It was also noted that SDU II would have had a greater impact if there had been more emphasis placed on increasing citizen participation in local government matters. Finally, stakeholders, staff, and beneficiaries highlighted the importance of maintaining permanent regional offices for projects with such a broad geographic coverage in order to more effectively respond to the needs of the LGs, resolve issues, and monitor achievements.

Design programs based on lessons learned and recommendations

USAID designed SDU II based on lessons learned from the SDU I project (see text box). The purpose of the SDU I program was to build capacity to foster democratic principles in Uganda through a productive partnership between local government and civil society. Through a traditional training approach, a more effective, transparent, and accountable local government system was developed to deliver improved services. In addition, civil society played a greater role in advocating and monitoring the benefits to participating communities. SDU I operated in eight districts in Uganda: Gulu, Apac, Luweero, Nakasongola, Mbarara, Kabale, Tororo, and Kamuli.

Although it may seem obvious, it is critical to invest time and resources into evaluating and extracting lessons learned from relevant previous projects. Stakeholder interviews shed light on how to improve an approach to better fit the needs of the beneficiaries, refine methodologies, and avoid duplicating mistakes.

In February 2004 SDU I began implementation of the FDS in Gulu Municipal Council and Tororo District, local governments chosen to pilot FDS in the initial stages. The

Lessons Learned from SDU I

1. Project assistance and methods should be more appropriate and responsive to the needs of LGs. For example, technical assistance should be keyed to the budget cycle and respond directly to the needs of the districts.
2. It is critical to be aware of the needs and availability of government staff and councilors.
3. Technical assistance should offer a schedule, method, tools, and systems replicable by the GOU and other donors.

activity's overall objective was to review the financial management reforms being implemented under FDS, the IFMS, and the use of budgeting manuals. The start-up activity for the implementation process was a two-day workshop in each of the two local governments.

The SDU I final report made the following recommendations:

“Although LGs are in place and functioning, they cannot fully perform all the responsibilities and duties devolved to them. Support should be directed at the district and local levels in order to further strengthen both local government capacity and community participation. Continued support to the decentralization process in Uganda is necessary in the following areas:

- Local procurement processes, including anti-corruption;
- Fiscal decentralization planning and budgeting; and
- Enabling activities that strengthen community and community-based organization linkages with local government and provide effective tools for management, capacity building and service delivery.”

As noted in the recommendation above, the design of SDU II represents a logical progression from its predecessor. The pilot FDS activity implemented by SDU I set the groundwork for successful implementation of the FDS for SDU II. Commitment and enthusiasm to implement the FDS among central and local governments were generally high.

Get stakeholder input into activity design

While there was a general consensus that participating SDU II LGs benefited from the project's technical assistance, several central government representatives recommended that they be more involved in the project design. These representatives saw the need for a more demand driven approach that included input from a wider groups of participants.

Design pilot projects with the intent of eventually scaling up

Many central government representatives believe that implementing a pilot project creates inequalities among LGs and may even fuel conflict. While some of the officials interviewed understood resource constraints, they were expecting to roll out the FDS nation-wide with the support of an SDU-type project. It was suggested that SDU II could have combined funds and project implementation with other donors in order to cover all of Uganda's LGs. In this way, non-SDU II LGs would not express frustration at being ignored by the central government. According to some, all resources should have been focused on developing the FDS operating system and building the capacity of all LGs to develop annual budgets and work plans, rather than on the other project objectives. LGs that did not receive SDU II assistance will need the support of the GOU and other donors to roll out the benefits of SDU II to all LGs.

Ensure that LGs have incentives to use new systems and tools

LGDP II, a WB-implemented project in Uganda, provided annual incentives to those LGs that proved to function effectively. Several SDU II districts performed at very effective and efficient levels and were thus rewarded with 20 percent bonuses. Rewarding districts for improved performance directly increases revenues and commitments to try new systems and learn new skills. Another possible incentive is to demonstrate how systems and tools decrease workloads (e.g., compare the length of time necessary to complete a document on a typewriter with the time needed on a computer).

Ensure that LGs have sufficient hardware

Some government officials noted that an IT assessment would have been helpful to ensure that LG computers would run the FDS software. Some LGs complained that their computer systems were obsolete, and a few LG systems did not have sufficient memory to efficiently use the program. In these cases, SDU II was obliged to spend time resolving IT issues.

Develop indicators in systems to capture information related to PWDs, women, and youth

SDU II and the GOU developed and monitored indicators related to participation by PWDs, women, and youth in local matters. LG performance was assessed based on these indicators, resulting in an incentive to increase participation of these groups and LGS motivated to focus more on increasing these group's participation.

Focus on non-fiscal issues to increase participation at the local government levels

A few government officials suggested that more emphasis be placed on encouraging citizen participation in local government matters and increasing interaction between LGs and their communities. While the SDU II LGs have the capacity to better plan and budget, donors could also focus on the demand side of issues by increasing community capabilities to identify, prioritize, and communicate issues to local government.

6.2 ACTIVITY MANAGEMENT

According to staff and stakeholders, SDU II was able to “hit the ground running” as the technical staff had extensive experience working with Ugandan stakeholders. While project staff felt they were managed in a decentralized manner, many would have preferred to have participated in more team-building activities to increase coordination among SDU II staff.

Use regional staff to better respond to needs and monitor implementation at the local level

A decentralized operational structure is essential for a project to function in a wide geographic area and maintain access to conflict-affected districts. In order to respond to the needs of the 33 LGs in various parts of the country, and with the expanded scope of the project focusing on Northern Uganda, SDU II designed and implemented a highly decentralized operational structure with a centralized management process to ensure proper checks and balances.

As SDU II implemented numerous activities in Northern Uganda, several staff and local government officials suggested that having a permanent regional office in the north would have increased the project's impact and created a more demand driven program. With such an arrangement, staff would not only be able to better design inputs and assure quality control of consultants, but would also improve monitoring and evaluation of the project. Permanent regional grants managers would ensure proper use of grant funding and could also be positioned to help local organizations develop grant proposals and implement projects. Many of those interviewed highlighted the need for permanent regional offices or, at least, for a Northern Ugandan office in the SDU II's final year, in order to more effectively and efficiently meet the needs of the beneficiaries.

Recruit qualified staff with extensive related technical and regional experience

SDU II recruited many of the SDU I staff, thus enabling the project to rapidly start implementing activities with little time spent establishing positive working relationships with stakeholders. This ensured a seamless transition from SDU I to SDU II as staff already had the necessary technical knowledge and program management skills. Many government officials, when comparing SDU II to other USAID-funded projects, noted that consistent leadership is a key to success.

Promote internal communication and support team building among staff

Team building activities are important to ensuring coordination between staff members. SDU II staff expressed the need for more team building activities and meetings to better understand different aspects of the SDU II project, roles, and responsibilities, as well as to resolve issues. There were times when SDU II staff needed to understand changes to the work plan in order to communicate these changes to stakeholders; regular team meetings may have better clarified these changes.

Conduct close-down ceremonies with stakeholders

While stakeholders were generally aware that the project was closing down (see letter in Appendix C), several expressed disappointment that there would be no SDU II closing ceremony. An event such as this give stakeholders the opportunity to understand project accomplishments, ask questions, and discuss future plans. In other countries, close-down ceremonies help to create networks between LGs and strategic plans to continue project implementation.

6.3 EFFECTIVE TIME-SENSITIVE AND MENTORING APPROACH TO TECHNICAL ASSISTANCE AND CAPACITY BUILDING

SDU II was successful at maintaining positive working relationships and being highly flexible and responsive to both its stakeholders and USAID. These characteristics are key to project success and to an ongoing presence.

Provide timely and hands-on technical assistance in lieu of traditional training

Under SDU II, capacity building methodologies shifted from traditional training workshops to hands-on technical assistance for LGs. This method was based on the adult education principle that students best retain knowledge when they know how it will be applied outside of the classroom. More importantly, SDU II's technical assistance helped both central and local governments complete their work through short interventions that took place within the staff's working environment and that included working one-on-one through a task or a process. This decreased the workload of both ARD and the beneficiaries, as tasks were completed on the spot. As the project evolved, LGs were able to function with less and less technical support.

According to government officials interviewed, SDU II staff was always available to resolve issues and answer questions in their offices. This approach was based on the concept that someone who is learning a system needs immediate support or they may lose interest and/or become frustrated with the tools or the system. In other words, responding quickly to LGs was imperative to maintaining the political will and commitment to use newly introduced systems and tools—in this case, the FDS software.

Every government official interviewed praised the mentoring approach and was grateful that staff responded quickly to their calls for assistance. Chief Administrative Officer of the Wakiso District Council George Ntulume said,



SDU II COP Anka Kutunzi assists Wakiso LG staff.

“This was my first experience benefiting from a mentoring approach. I would call SDU II with a question and within a couple days, they would be ready to sit with us and help us work through the issues. The entire department found the approach pleasant and productive.”

Maintain positive working relationships with key stakeholders

One of the key lessons learned from SDU II efforts to build capacity of 33 LGs for FDS was that SDU II was able to maintain positive working relationships with its key stakeholders. The team engaged the government early on in the project to confirm what needed to be done and how to best fit into the working schedules of the stakeholders. The tools and mentoring approach helped stakeholders accomplish their tasks instead of adding work to already busy schedules. SDU II was highly responsive to issues that arose, and this timely response to the stakeholders kept all parties engaged and committed. Finally, it was important for the stakeholders to understand the incentives of using the system, which included time saved and revenue increased for districts that performed well.

Some government officials did voice the opinion that SDU II could have made an even greater impact if the project had worked to increase the interaction between citizens and local government and had engaged at lower levels of government.

Engage government early and deliver what is needed, when it is needed

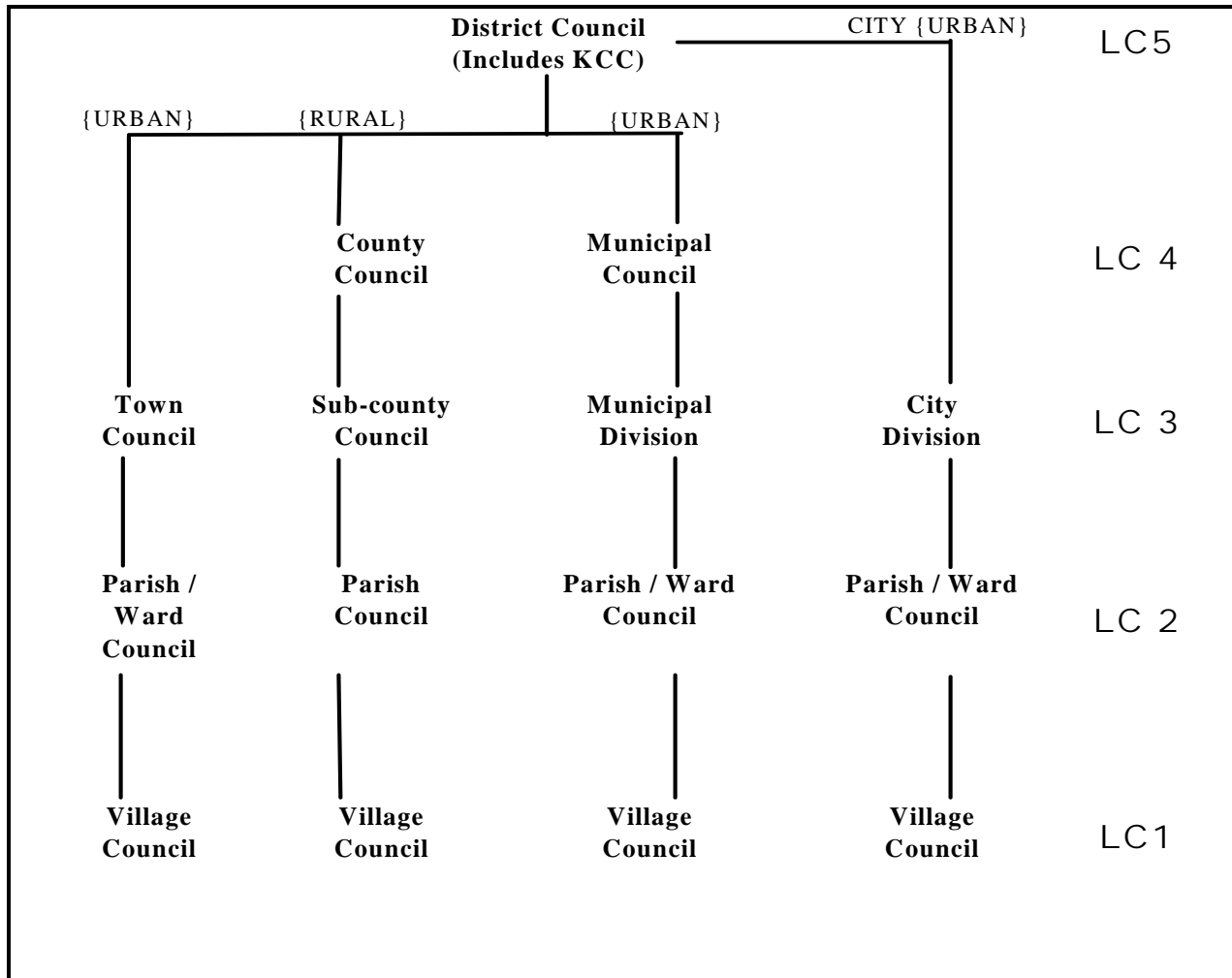
Government officials were highly satisfied with the project’s approach. SDU II’s first step was to engage government officials early to ensure buy-in and revise activities as needed. A seemingly obvious statement, but one that should be noted, is that development projects that deliver what is needed when it is needed are more successful than those that do not. It was crucial to plan technical assistance with the budget cycle and within the stakeholders’ work schedules, and SDU II was able to achieve this despite the fact that some cycles were disrupted because of external constraints. Given that SDU II provided on-the-job mentoring, assistance was provided when a task needed to be completed within the budget cycle. This decreased the workload for the LGs while simultaneously building capacity of LG staff.

Explore the possibility of deepening decentralization by providing tools, systems, and capacity building training to the lower levels of government

Several district level government officials recommended deepening the decentralization process by providing FDS and capacity building training to the lower levels of government. The SDU II project worked at upper levels, namely with municipalities and districts.

The LG structure has five political levels: the district (LC 5), the county (LC4), the sub-county (LC 3), the parish (LC 2), and the village (LC 1). The county is a level of no political significance in rural LGs. The urban structure has cities, municipalities, and towns: cities have the same status as districts, and municipalities and towns are within the districts. In an urban LG, the ward is equivalent to the rural parish. The lowest level, the village, is at the same level for both urban and rural LGs. The LG structure relates to the central government through the line ministries, with MOLG and MOFPED playing the major coordination roles. These relationships are illustrated in Figure 6.1.

Figure I: Uganda Decentralization (Local Government) Structure



According to interviews, service delivery occurs at the lower levels of government that are the most accessible to citizens. Therefore, it makes sense to provide tools, systems, and capacity building training to the lower levels of government in order to improve service delivery. It would be interesting to explore a mentoring program that would allow LGs at the lower level to have access to SDU II tools and systems to improve service delivery. The mentoring program could be conducted by representatives from the district level and private sector consultants who have been involved in SDU II.

Build trust with stakeholders and the client and show responsiveness and flexibility

One of the reasons for SDU II’s success was the team’s responsiveness and flexibility toward the needs of its stakeholders and USAID. SDU II gained a positive reputation as a project that could quickly and effectively deliver technical assistance in partnership with Ugandan partners, donors, and organizations. For example, stakeholders from Gulu expressed high degrees of satisfaction with SDU II’s responsiveness. SDU II also proved this during the last quarters of the project, when the team responded on very short notice to a USAID request to provide logistical and supervisory assistance to the Juba Peace Process Consultation. These examples are testimonies to the fact that the team built trust with its stakeholders and that SDU II project could deliver results quickly and effectively.

6.4 GRANT-MAKING

SDU II administered an SAF program intended to provide funding for projects that contributed to the decrease in the spread of HIV/AIDS by supporting FBOs and CBOs. SDU II, in collaboration with USAID/Uganda, selected 11 CBOs to participate in this fund five of which were cancelled due to corrupt practices. The main lessons learned from this activity are that grants programs, even when they are contracted under a fixed obligation grant, should be closely monitored and canceled when fraud has been uncovered.

Create and implement policies and monitoring procedures to improve CBO/FBO accountability

As discussed in above and in Section 5, SDU II was faced with several incidences of accountability by SAF grantees. As a result, some grants were cancelled. SDU II staff highlighted the importance of a zero tolerance for corruption policy. In addition, it is critical that there be field staff in the regions to monitor grants programs. While there were issues with some CBOs, it is important to remember that when SDU II CBOs performed, they did so to great success. The best groups deserve support and trust; the worst must not be allowed to affect the strong efforts of others.

In order to properly monitor grants, it is crucial to have regional field staff with the sole responsibility of monitoring grant implementation and ensuring accountability for purchased items.

Provide larger grants instead of small to decrease the workload on staff and enhance cost effectiveness

It is critical to take into account that small grants create large amounts of work for project staff. In fact, small grants can be as difficult to administer and monitor as larger grants. The more small grants a project provides, the more administration, monitoring, and evaluation is required. Grants should, as far as possible, be limited to large grant-making bodies, as the requirement that projects have a small grants component can become a heavy burden. SDU II did not shirk its responsibilities, but meeting its obligations was difficult within the resource envelope.

6.5 SUSTAINABILITY

Sustainability is often a challenge for development projects. SDU II focused on this issue by developing replicable tools, procedures, and systems with stakeholders, as well as using local human resources for project implementation. Documentation and dissemination of lessons learned and private sector consultant and firm contact information are additional ways to help stakeholders continue efforts to strengthen local governance in Uganda.

Develop replicable tools, procedures, and systems in close collaboration with local stakeholders

It is important to work hand-in-hand with stakeholders to fulfill the needs and specifications of the local partners. SDU II, in close collaboration with LGs, developed tools, systems, and procedures and conducted studies for future use by USAID, GOU, donors, and LGs to improve financial management, decrease corruption at the local level, increase the participation of marginalized groups, and work within a multi-party environment. It is additionally important to find champions and supporters to continue achieving results, both during activity implementation and close-out. For example, SDU II is working closely with other donor-funded initiatives (such as the European Union [EU] Support to Decentralization Project) to ensure roll-out of the FDS systems and provide technical assistance to LGs on the new software. The WB-funded LG support through the Financial Management and Accountability Program and the LGDP II successor program is set to use the software developed by SDU II to bridge the gap through the IFMS roll-out. SDU II has also

discussed training LG staff on the Model Rules of Procedures for Multi-party Local Government with the Linkages staff.

Utilize local private sector consultancy firms

SDU II has delivered technical assistance with contributions by Ugandan private sector consultancy firms pre-qualified by the MOLG to provide capacity building services to LGs. As the exact nature of the FDS reforms were not known outside of the GOU, SDU II specifically trained these firms in all aspects of the reforms, allowing them to become the prime technical assistance providers to the LGs.

SDU II has trained over 39 private sector firms (over 145 individuals) in all the budget, planning, implementation, and reporting processes required by the FDS reforms, as well as in the SDU II-developed processes that capture those reforms.⁹ Once trained, these private sector firms were contracted by SDU II to deliver the technical assistance to 33 local governments, under SDU II staff supervision for the purposes of quality control.

Other LGs not directly supported by SDU II have also been able to contract these private sector firms to provide technical assistance on FDS reforms. Once the SDU II project closes in December 2007, the firms will provide technical assistance to all LGs directly as required. This approach by SDU II has increased the overall capacity of the private sector and has ensured sustainability of the SDU II project well past its close-out.

Provide incentives for LGs to replicate training among non-SDU II districts

Some LGs have organized a team of trainers or mentors who are replicating the SDU II FDS training in non-SDU II districts. For example, during a visit to Wakiso, six staff trained non-SDU II districts in the field. Providing incentives for cross-district replication of SDU II, as the LGDP II has done in the past, will help the central level roll out the FDS software and increase the chance for sustainability.

⁹ A list of private sector firms can be found in Appendix E.

7.0 RECOMMENDATIONS FOR FUTURE RELEVANT PROGRAMS IN UGANDA

7.1 TIME-SENSITIVE AND HANDS-ON TRAINING APPROACH

Use a time-sensitive delivery approach, not only in regard to local cycles (in the case of SDU II, budget cycles), but also in general. This includes being mindful of the timing of assistance, including availability of government staff and process schedules. It is wrong to expect staff is able to interrupt regular business so that they can participate in trainings. A time-sensitive delivery approach is based on the commitment to deliver what is needed when it is needed, not only to individuals but also to networks of organizations or agencies, that work together to implement processes.

Stakeholders learn best by “getting the work done” rather than simply participating in training and workshop events. Stakeholders were grateful for this pragmatic mentoring approach that helped them function more effectively in their jobs. This method aids learning by doing, a key principle of adult learning. Adults retain best when they know how they will apply what they are learning. SDU II designed targeted interventions that took place within the staff’s work environment. In some cases, ARD’s assistance consisted of providing consultants to work through a task or process, hand-in-hand with staff.

7.2 RECRUITMENT OF KNOWLEDGEABLE LOCAL STAFF

It is critical to recruit staff with experience working in Uganda in relevant technical issues. In that way, a project is poised to quickly establish working relationships and achieve results with stakeholders. In the case of SDU II, staff had the technical understanding of the procedural aspects of Ugandan fiscal decentralization and the complex institutional arrangements that manage the process. They also had established networks within the system. Interpersonal and proven program managements skills are key to achieving results in politically-sensitive programs and, according to many SDU II staff, are even more important than technical knowledge.

7.3 PRIVATE SECTOR INVOLVEMENT

Build the capacity of local private sector firms and consultants to implement, monitor, and evaluate USAID projects. SDU II built the capacity of private sector firms using its “learning by doing” approach. Utilizing private sector firms increases the probability that development projects will be sustainable. For example, non-SDU II LGs can now recruit these private sector firms to assist them to use the FDS software.

7.4 SUSTAINABILITY

It is not enough that these private sector firms and consultants exist. The GOU will need a follow-up plan and support to ensure continued implementation of the FDS component. Some have suggested that the GOU could develop a post-SDU II plan to ensure skills are being handed over to new staff and that technical assistance is provided to non-SDU II LGs. The GOU could add existing consultants to the current list of those pre-qualified by the MOLG under the LGDP capacity building program. According to several government officials, the GOU would need information on private sector firms and consultants with experience providing hands-on assistance to LGs. The government would also need to develop a monitoring program to ensure that LGs are receiving high quality technical assistance and are using the FDS software.

Some activities could be continued through other USAID-funded programs. Interviewees suggested that a plan be developed to move the Model Rules of Procedures for Local Government operation forward. In this way, USAID could bring stakeholders together to unblock the process, further build consensus, and clarify next steps. SDU II has met with the Linkages COP to discuss how the project can implement training once the model rules have been approved, to enable LGs to better understand and use the Rules of Procedure in a multi-party environment. In December 2007, ARD will conduct a leadership training for women councilors in the north. USAID should consider continuing the training in the LINKAGES LGs.

7.5 RETAIN THE COMMITMENT TO STRENGTHENING LOCAL GOVERNMENT AND IMPLEMENTING FISCAL DECENTRALIZATION

SDU II would be able to make a wider impact by assisting the GOU to roll out to non-SDU II districts, deepening decentralization reforms by focusing support at the lower levels of local government and increasing participation of citizens in local government matters. All of the government officials interviewed recommended that there be a follow-on project, an SDU III, that builds on the successes of the project.¹⁰ For sustainability of USAID interventions, planning, budgeting, and public procurement at local government level must be rolled out nationally, beyond SDU II's input. Opportunities exist to build on the successes of SDU II through programs financed by the WB and EU.

7.6 CITIZEN PARTICIPATION

SDU II LGs now have the capacity to plan and budget to better respond to citizen's needs. Now would be an opportune time to strengthen the capacity of citizens to participate in the identification, prioritization, and discussion of issues with LGs. Ugandan government officials emphasized that citizen participation is an area with the potential to increase trust in LGs and therefore create a more demand-driven system of service provision.

ARD's Advanced Participative Methods (APM) approach could be tapped as a resource to help increase participation of citizens in local government matters in budgeting and planning meetings. ARD has successfully used this methodology in Peru, Ecuador, Colombia, Sri Lanka, and Senegal.

¹⁰ A list of those interviewed can be found in Appendix D.

7.7 ALTERNATIVE SOURCE OF LOCAL REVENUE

A viable and effective source of local revenue for local governments must be developed. As stated by one key SDU II stakeholder, “the inability of local governments to generate local revenues seriously affects the viability of local governments and their ability to provide services to citizens.”

Consensus should be sought on fiscal decentralization policy reforms that will allow local governments to be more responsive to local needs and to deliver better services. The principles employed in evaluating the viability of various local taxes must include: stability, visibility, progressiveness, political acceptability, and administrative efficiency.

APPENDICES

APPENDIX A. MAP OF SDU II LOCAL GOVERNMENTS

APPENDIX B. SUCCESS STORIES

APPENDIX C. USAID/UGANDA CLOSE-OUT LETTER

APPENDIX D. LIST OF INTERVIEWS FOR THE SDU II LESSONS LEARNED REVIEW

APPENDIX E. LIST OF PRIVATE SECTOR ORGANIZATIONS

APPENDIX A. MAP OF SDU II LOCAL GOVERNMENTS



SDU II

STRENGTHENING DECENTRALISATION IN UGANDA PHASE II

SDU II PARTNER LOCAL GOVERNMENTS



USAID
FROM THE AMERICAN PEOPLE



APPENDIX B. SUCCESS STORIES



SUCCESS STORY

Budget Flexibility in Northern Uganda

Through decentralization, democracy and good governance are being realized in Uganda.



ARD, Inc.

As a direct result of the Strengthening Decentralization in Uganda Phase II (SDU II) project's efforts, the Government of Uganda increased the ability of 34 local governments in northern Uganda to reallocate central government transfers to meet locally identified priorities.

Through SDU II, the Government of Uganda transferred more than 30% of the total national budget to local governments of northern Uganda, thereby promoting increased democracy and good governance. These funds enabled the local governments to address social services and priorities that were identified at the local level.

After almost 20 years of insurgency in Northern Uganda, peace appears to be on the horizon. The Government of Uganda (GOU) is actively taking steps to hasten the process of peace and reconstruction by holding, for the first time, public hearings on the allocation of national resources to meet the needs of northern Uganda. In January 2007, the Local Government Finance Commission (LGFC) will hold a first-ever public hearing in northern Uganda to hear from local governments, citizens, and community- and faith-based organizations about their needs.

Local governments are primarily responsible for providing social services such as health, education, water, and infrastructure construction. With the GOU's transfer of central funds to the local level, local governments are able to address their own priorities that have been identified locally. In fact, local governments now receive more than 30% of the total national budget in order to implement needed social services.

The public hearings are particularly critical, given that millions of internally displaced people will soon be returning to their homes and reestablishing their lives. The provision of critical essential services to these people is necessary if their return is to be orderly and financed adequately. Additionally, reallocated funds will be used to address locally prioritized needs such as addressing the impact of HIV/AIDS and the needs of marginalized groups—in particular, women, children, orphans, and the disabled.

USAID is supporting these hearings through its Strengthening Decentralization in Uganda Phase II (SDU II) project. On November 3, 2006, as a direct result of the project's efforts, the GOU increased the ability of 34 local governments in northern Uganda to reallocate central government transfers to meet locally identified priorities from 10% of recurrent non-wage to 50% of recurrent non-wage and development transfers.

These changes represent major policy shifts by the GOU in response to the needs of northern Uganda's local governments and are in line with the National Peace, Recovery and Development Plan for northern Uganda, 2006–2009. These fund transfers signify an unprecedented opportunity for local governments to meaningfully address their own priorities and directly meet their needs.

The LGFC is statutorily obligated to advise the president, through the Minister of Finance, Planning and Economic Development, of the percentage of national resources that must be transferred to local governments to carry out their mandates. SDU II networked very closely with the Office of the Prime Minister; the Ministries of Finance, Planning and Economic Development and Local Government; the LGFC; and the Local Government Associations to ensure that the Local Government Budget Committee reviewed and approved the increased budget flexibility.

SDU II has established high levels of credibility with the GOU, and is an ex-officio member of both the Local Government Budget Committee and the Local Government Releases and Operations committee. Moreover, it is the only nongovernmental entity directly involved in these fiscal policy issues. At the GOU's request, SDU II became a member of the Technical Working Group that recommended the levels of flexibility and the methods to operationalize the increased flexibility.

SDU II's involvement ensured the timeliness of this policy shift. Having established major credibility as an implementing partner of these and similar reforms with the GOU, SDU II continues to work closely to effect and implement policy reforms to the benefit of the entire democracy and governance process in Uganda. SDU II will next provide technical support to the local governments in northern Uganda so that they can operationalize this increased level of flexibility for FY 2007–2008.



SUCCESS STORY

Bringing Peace to Uganda

Participatory process encourages Ugandans to share accountability and reconciliation



Ugandans were encouraged to share their opinions about the peace process. This man expressed concern about the status of women, and recommended a truth and reconciliation commission.

USAID's program in Uganda is helping communities move past a painful history through accountability and reconciliation. The participatory process enables all Ugandans to share their opinions about how the process should proceed.

Though two decades of war have ravaged Uganda, the country is finally finding peace and stability. Still, the lives of millions in northern Uganda remain wrecked by hostilities between the Lord's Resistance Army (LRA) and the Government of Uganda (GoU). Since August 2006, talks have been underway in Juba, the capital of Southern Sudan, to end the violence that has devastated northern Uganda and displaced more than one million people. The Juba peace process is an intensive effort by the GoU, LRA, civil society, and other stakeholders in affected areas to end conflict between the LRA and the GoU.

A main issue at the Juba peace talks is the need for accountability and reconciliation. In order to build consensus on how to implement successful peace accords, the agreement required the GoU and LRA consult with all peace process stakeholders to ensure their views are considered.

To support the Juba Peace Process consultations, USAID and other European donors funded the consultation process for the GoU. ARD, Inc. was selected to manage the (budget and logistics for the) consultation process on implementation of the Accountability and Reconciliation Agreement. By supporting local organizations including the Uganda Amnesty Commission and Akijul (Enabling Change), the USAID-funded initiative facilitated the effective, efficient and credible consultative process to ensure buy-in and a commitment of all stakeholders of the process.

The local organizations developed a methodology to collect stakeholder views, facilitated 10 consultation workshops on accountability and reconciliation across the country, and interviewed groups most affected by the conflict, including Ugandans still residing in camps for internally displaced persons (IDP). The processes were highly participatory and provided room for free expression and dialogue. The findings were compiled and presented at two events in Kampala; the first was to all 360 MPs of the Ugandan Parliament and the second was to a cross-sectoral representation of the GoU agencies and civil society stakeholders.



This resident of the IDP Camp said her husband and co-wife were killed during a massacre by the rebels, and the perpetrators should come back to apologize and reconcile.

The process ensured participative involvement throughout Uganda so the GoU was able to return to the negotiating table to continue peace talks. More than 1,500 people from all sides of the conflict voiced opinions and concerns related to the Juba Peace Process. As an IDP stated, “Do not talk about the courts. What we want is Mato Oput and then the Government should help us rebuild our lives.” Mato Oput is a reconciliation process which many Ugandans believe can bring true healing in a way that government-imposed justice cannot. In Gulu, leaders of Acholi, a Ugandan ethnic group, recommended a Mato-Oput commission be formed to advance reconciliation among the LRA, the GoU, and victims of the conflict. Others encouraged development of a hybrid system of law that mixes traditional mechanisms of mediation with formal legal processes.

APPENDIX C. USAID/UGANDA CLOSE-OUT LETTER



USAID | **UGANDA**
FROM THE AMERICAN PEOPLE

October 24, 2007

Mr. Vincent Ssekono
Permanent Secretary
Ministry of Local Government
Workers House
Kampala, Uganda

Dear Mr. Ssekono:

RE: Close-out of SDU II Project

I'm writing to inform you that the USAID-funded project, Strengthening Decentralization in Uganda Phase 2 (SDU II), will be closing on December 15, 2007, as originally scheduled. I hope that SDUII, implemented by ARD Inc., has assisted you to improve public financial management in Uganda since its inception in July 2004.

The successes of SDU II can be attributed to close collaboration with over thirty-three units of local government, the Government of Uganda, numerous Civil Society Organizations (CSOs), and thousands of engaged citizens. The highlights of these efforts have included:

- Support to implementing the Fiscal Decentralization Strategy (FDS).
- Strengthening the capacity of CSOs and their ability to communicate effectively with local governments.
- Support for the authorization process for inter-sectoral budgetary flexibility for the Local Governments in Northern Uganda.
- Support to the development of revised Model Rules of Procedure for Local Governments operating in a multiparty environment.
- Drafting a procurement law and regulations for local governments.
- Funding small grants activities for Faith Based Organizations and Community Based Organizations.
- Conducting a National Public Procurement Integrity Survey.
- Undertaking a Universal Public Education (UPE) Tracking Study.
- Advocacy training for leaders of organizations representing People with Disabilities (PWDs).

While USAID will no longer be funding fiscal decentralization activities, we are pleased that other donors will continue to strengthen decentralization in Uganda. This includes the European Commission's Support to Decentralization Programme (SDP), a 3-year activity to be implemented under your Ministry. The World Bank will also continue to support efforts to enhance the financial capacities and systems of local governments.

U.S. Agency for International Development
US Mission Compound – South Wing
1577 Ggaba Road, Nsambya
P.O. Box 7856
Kampala, Uganda

Tel: (256 - 414) 306-001
Fax: (256 - 414) 306-661
<http://uganda.usaid.gov>


International Address:
USAID/Uganda
DOS/USAID, 2190 Kampala Place
Washington DC 20521-2190
Tel: 202-216-6234

Although SDUII is ending, the commitment of USAID/Uganda to support governance activities will continue. You are aware of the new Linkages project, which seeks to improve linkages among local governments, Parliament and civil society in a multi-party environment. The USAID-supported Millennium Challenge Anti-corruption Threshold Country Plan (TCP) will also provide limited support to improved financial management systems for Local Governments/District councils. This TCP activity will assist selected Local Governments in the adoption and implementation of the new procurement and financial management system reforms. Please do not hesitate to contact me if you would like to discuss these or other USAID activities.

In the coming weeks, SDU II will be conducted a Lessons Learned Review which will provide you with input for continued improvement of your systems based on SDU II's work. We look forward to the active participation of you and other Ministry staff in this process. Please feel free to contact Chief of Party Anka Kitunzi at 0772-551-006 if you have any questions, comments, or would like to discuss SDU II.

USAID/Uganda thanks you for your support of our efforts to strengthen decentralization in Uganda.

Yours sincerely,



Scott Dobberstein
Team Leader
Governing Justly and Democratically
Peace and Security Programs

cc: Permanent Secretary/Secretary of Treasury – Ministry of Finance, Planning and Economic Development
Chair – Local Government Budget Committee (Secretary, Local Government Finance Commission)
Chair – Local Government Releases and Operations Committee (Director of Budget, MoFPED)
Chair Person/CAO/Town Clerk (SDU II Partner Local Governments)
SDU II Partner Stakeholders
Chair Person/CAO/Mayor: Apac, Gulu, Gulu MC, Lira, Lira MC, Oyam, Amuru, Amolatar, Dokolo, Kitgum, Nebbi, Pader, Soroti, Soroti MC, Kumi, Kamuli, Katakwi, Pallisa, Nakapiripirit, Tororo, Tororo MC, Mayuge, Bugiri, Iganga, Mbarara, Mbarara MC, Kabale, Kabale MC, Bushenyi, Rukungiri, Ntungamo, Luwero, Nakasongola, Wakiso, Mubende, Masaka, Masaka MC

APPENDIX D. LIST OF INTERVIEWS FOR THE SDU II LESSONS LEARNED REVIEW

1. Adam Babale, Principal Economist, LGFC
2. Danielle Reiff, USAID CTO
3. Damiano Katto, Secretary of Amnesty Commission
4. Patrick Muhdua, IT Consultant, Ministry of Local Government
5. William Ndoleriire, Economist in the Ministry of Finance
6. John Behangana, Secretary – UAAU
7. Oyo Samson, Planner Gulu MC
8. Eng. Ian Kyeyune, Chairperson Wakiso LG
9. George Ntumlume, CAO of Wakiso
10. Joseph Kasumba, Planner
11. Eva Mulema, COP of Linkages
12. Frank Othembi, Registrar – Judicial Service Commission
13. Patrick Mutabwire, Commission of Local Government Councils
14. Kakira Geoffrey, Manager, Training and Capacity Building, PPDA
15. Edgar Agaba, Executive Director, PPDA
16. Mayanja Gonzaga, Planner/Masaka
17. Sam Amule, Commissioner LG Inspectorate
18. Raphael Maeyezi, Secretary General, ULGA
19. Makarios Byoruganda, Manager of EU's support to Decentralization Programme
20. Ester Kyozira, NUDIPU, Human Rights Advocacy Project
21. Anka Kitunzi, Chief of Party, SDU II
22. Kevin Curnow, Former Chief of Party, SDU II
23. Charity Ninsiime, Training Coordinator, SDU II

24. Robert Kalemba, Northern Uganda Project Manager, SDU II
25. Alfred Ogwang, FDS Specialist
26. Peter Clavelle, STA of SDU II
27. Marc Companion, Project Manager of SDU II
28. Johnson Bitarabeho, Chairperson, Local Government Finance Commission
29. Lawrence Banyoya, Secretary, LGFC
30. Kenneth Mugambe, Commissioner, Budget and Evaluation Department, GoU Ministry of Finance
31. Michael Sebuliba, Executive Director, National Union of Disabled Persons of Uganda

APPENDIX E. LIST OF PRIVATE SECTOR ORGANIZATIONS

	Name of Consulting Firm	No. of Participants	Name of Participant
1	Grotius Consulting Group	2	Fred Higenyi
			Grace Kintu
2	Jim Roberts	2	Julius Okurut
			Christine Okalebo
3	Development Consultants International Limited	12	Prof. Joseph Nsereko
			Dr. James Arumus
			Dr. Peter Jehopio
			Brown Twebaze
			David K. Twahirwa
			Patrick Kandole
			S.M. Kakooza
			Andrew Masereka
			David Kiwana
			Daisy Owomugasho
			Dr. Andrew Ssemwanga
			James Kahoza
4	DICS Ltd	7	Patrick Kaganzi
			David Kiyingi Bitalo
			Samwiri Katunguka
			Gabriel Komakech
			Stephen Tumutegyreize
			Mukairina Maclean Kobusingye
			Jennifer Namungo
5	Team Business College	2	Iruura Edward
			Sulaiman Walugembe
6	Jasper	2	Obadiah Biraro
			Apollo Musinguzi
7	Greenstar International, Ltd.	3	Nelson Egadu
			Charles Mewesi
			David Egwel
8	Gimenyi & Associates	6	John Drabile
			Daniel Kimuda
			Davis Masifa

	Name of Consulting Firm	No. of Participants	Name of Participant
			Peter R. Kampororo
			John W.K Nuwemujuni
9	Rowa	7	Richard Waya
			Emmanuel Osuna
			Isaac Mweni
			Moses Njalira
			Sam Weyre Hibinga
			John Choli
			Kezaabu Sylvia
10	Kebu	4	Baryabanoha Wilson
			Nyanzi F
			Mubiru F
			Angalia Godfrey Tinka
11	JYAK	1	Matovu Abu-Bakar
12	Bemoi	9	Okebe Onya
			Amunyo Wilberforce
			Kobusingye F. Barbara
			Kavuma Hope
			Joweria M. Teera
			Oiko Martin
			Awewu Peterp
			Mwanga Yeko
			Abey Musisi
13	Bankshire Technologies	5	Onoria Daniel Jackson
			Baker Luwaga
			J.J Bagonza
			Dewo A. Obonyo
			Hassan Serubulwa
14	Missing Link	1	Mayanja Gonzaga
15	SNV	7	Grace Choda
			Gertrude Lutaaya
			Florence Kayongo
			Jan Hendrik
			Charles Kiiza
			Dennis Mubangizi
			Jeroen Wismans
16	DWD	23	Sseguya James
			Bbosa Christine
			Kilama Robert
			Okello Andrew
			Okello Gaetano
			Tusiime Joseph
			Bwizza Angella
			Semugooma Joseph
			Watenga Stanley

	Name of Consulting Firm	No. of Participants	Name of Participant
			Seruyange Clitus
			Berabose Dickson
			Mutenyo Isaac
			Mbiiro Andrew
			Nattabi Harriet
			Niwamanya Herbert
			Jolly Barigye
			Amanya Collins
			Okema Leonard
			Bisoborwa Paul
			Twinomucunguzi Felix
			Mugeiga Kato
			Malinne Blomberg
			Kongo Mercy
17	Kumi District	3	Ojilong Richard
			Ongaba Stephen
			Okaali Joseph
18	Winsor Consulting	2	Samuel Musisi Lukanga
			Simbwa Joseph
19	K Management & Business Services	2	Chris Machika
			Samuel Mutebi
20	SIDPLAN and Tripartite Training Program	1	Josephine Watuulo
21	Multitech Management Consultants, Ltd.	3	Shifferaw Metaferia
			Patrick Kandole
			Eddie Kayinda
22	Bergen Consult (U), Ltd.	11	Marion Tukahurirwa
			Tabitha Mawano
			Joses Tegyeza
			Patric Kintu Wabulya
			Alice Nankya Ndidde
			Amumpe Allan
			Arthur Natwijuka
			Mutungu B. Alfred
			Monica Bogere
			Prudence Tumuhairwe
			Daisy Owomugasho
23	RM Business Solutions, Ltd.	6	Tom Kyakwise
			Kasumba Deo
			Edith Mujwisa
			Wandera Salmon
			Stephen Ssimbwa
			Alfred Mwumva

	Name of Consulting Firm	No. of Participants	Name of Participant
24	African Business and Development Consultants	3	Anthony Rwebanda
			George Katunguka
			David Wasike
25	De Point Development Consultants	5	Kabuchu Alfred
			Mwanja Byekwaso Joseph
			Alaro Stella
			Mugarura Peter
			Azeirwe Boniface
26	ULGA Secretariat	2	Damalie Namuyiga Mbega
			Godfrey Mukwaya
27	Guffi international (U), Ltd.	7	Oketta Akena Keneth
			Lubaale Gideon
			Ambrose Nzamalu
			Amos Bahirwa Ruhongore
			Robinah Kiiza Joyce
			Baluka Sylvia
			Yvonne Munabi
28	Petmus Consult, Ltd.	3	Mubaale Peter Kafuko
			Karuhanga Edgar
			Musoke Awali
29	UNASCO	2	Florence Ayo
			Twesigye Titus
30	BRUMA	1	Edward Nkugwa
31	UPHOLD	4	Chris Opit
			Joseph Mibirizi
			Phillip Mitchell
32	Bundibugyo District	1	Herbert Buyondo
33	MOLG	11	Sam Amule
			Francis Okori
			Andrew Kizza
			Kasigwa
			Yasin Sendawula
			Nathan Ogwang
			Charles Olarke
			Baker Akantambira
			David Kikawa
34	AIM	4	
35	SDU	8	
36	DMCI	6	
37	Apex Development Consulting	1	
38	Ngomuka	1	
39	Trade MA	1	
		181	

USAID/Uganda
Compound - South Wing
Plot 1577 Ggaba Road
P.O. Box 7856
Kampala, Uganda
Tel. (256) 0414-306-001
<http://www.usaid.or.ug/>