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UGANDA

In any correspondence on  
this subject please quote: No. BPD 86/107/01

16<sup>th</sup> December, 2021

The Permanent Secretary,  
Ministry of Local Government  
**KAMPALA.**

## **FUNDING FOR LOWER LOCAL GOVERNMENT (LLG) PERFORMANCE ASSESSMENT AND DISTRICT SERVICE COMMISSIONS**

Government with support from the World Bank is implementing the Uganda Inter-Governmental Fiscal Transfers Program for Results with defined Disbursement Linked Indicators (DLIs).

Specifically, **DLI 1.2** targets improving the staffing levels of critical staff across Local Governments nonetheless, it was noted that there was inadequate funding for the District Service Commissions; and **DLI 6** stipulates Level One Assessments for Lower Local Governments (Sub-counties/Town Councils) and frontline service delivery units i.e. Schools and Health Facilities.

Office of the Prime Minister (OPM) has accordingly finalized the development of the Draft Performance Assessment Manual for Lower Local Governments (LLGs) and the assessment is expected to commence in July/August 2022.

However, there are gaps in funding for the assessment of LLGs performance and proper functioning of the District Service Commissions, for which, this financing gap could be filled using the DDEG and the EU grant respectively.

To ensure fulfilment of the DLIs, we are seeking your concurrence on the following proposals that:

1. Your Ministry reviews the DDEG guidelines to include under the Performance Improvement window facilitation of Local Governments to conduct the Lower Local Government Performance Assessments; and

*Mission*

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*

2. You prioritize part of the funding from European Union (EU) to support the increasing operational costs of District Service Commissions (DSCs) to finalize recruitment of critical staff in Local Governments; and extra funding of **USD100,000** to OPM to conduct the assessment activity.

The purpose of this letter therefore is to, inform you as above and seek your concurrence on the above proposals.

By copy of this letter, all LG Accounting Officers are informed accordingly and requested to prioritize the above activities as they finalize their budget estimates for FY2022/23.

  
Ramathan Ggoobi

**PERMANENT SECRETARY/SECRETARY TO THE TREASURY**

Copy to: All Local Government Accounting Officers

  
Uganda  
Vision 2040

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**Mission**

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"*