# **00 Discretionary Development Equalisation Grant**

# 2016/17 Sector Grant and Budget Information – BFP Draft 1

### ***IMPORTANT: This is a draft paper for use by local governments in their preparation of Budget Framework Papers. It therefore may to be subject to change. A final paper will be issued alongside the second budget call circular in February. As a draft it should not be regarded as the final the policy position of any Government of Uganda institution.***

## National Policy Priorities

In order to ensure equitable subnational development across the country, Article 193 (4) of the Constitution provides for subsidies or special provisions for the least developed districts based on the degree to which a Local Government unit is lagging behind the national average standard for a particular service. One of the objectives of the reform to fiscal transfers is therefore to distribute resources more equitably to Local Governments, so that those Local Governments which are less well-off are able to catch up with other areas. To this effect, special regional programmes such as the PRDP and the LRDP which are intended to support areas of the country with specific development needs will use harmonised country systems. In addition, the National Development Plan (NDP) underscores the need to review modalities for central government transfers to Local Governments to ensure greater equity and flexibility/more discretion. The reform to fiscal transfers therefore also builds in greater flexibility and discretion for local governments to allocate resources to local priorities, in line with their District Development Plans.

## Roles, responsibilities and mandate of Local Government

Schedule 2 of the LG Act Chapter 243 stipulates the functions and services for which the LGs are responsible for (mandated) including: Primary Education; Primary Health Care; Water and Sanitation; Feeder Roads and Production. The implementation of these mandates requires spending on operation costs, capacity development and investments in services and facilities. Operation costs are catered for in the Recurrent Budget, which will be funded by Conditional and Unconditional Grants and Locally Raised Revenues. Investment in services and facilities and capacity development are catered for in the development budget. The development budget shall be funded by: (i) sector development conditional grants (ii) discretionary development equalisation grants; (iii) contributions from unconditional transfers and locally raised revenues; and (iv) Off-Budget donor, Development Partners and NGO programmes.

## The Discretionary Development Equalisation Grant (DDEG)

### Overall objectives, structure and allocations

The overall objectives and/or purpose of the discretionary development equalisation grant are to:

* Enable LGs to allocate funds to priority Local Development needs that are within their mandate and that are consistent with the National Priorities.
* Provide Local Governments with equitable access to development financing, ensuring that more disadvantaged LGs receive additional funding to enable them to catch up. In doing so, the grant acts as the: (i) the equalization grant provided for in the Constitution Article 193 (4); and (ii) primary financing for regional development programmes including PRDP and LRDP.
* Provide development financing which caters for the differing development needs of rural and urban areas.
* Improve Local Government capacities and systems for provision of services

All development allocations under the DDEGs must adhere to sectoral budget requirements set out in the respective sector information papers. The respective sector ministries shall play key functions to ensure the proper management and utilisation of the DDEG allocated to their sectors alongside sector development grants and funding from other revenue sources.

There will be:

1. The district discretional development equalisation grant; and
2. The urban discretional development equalisation grant.

The district discretionary development equalisation grant shall have 4 windows for: (i) PRDP and LRDP Districts (allocated to PRDP III and LRDP districts only); (ii) PRDP and LRDP sub-counties (allocated to PRDP III and LRDP sub-counties only); (iii) other districts (allocated to the remaining districts only); and (iv) other sub-counties (allocated to the remaining sub-counties only).

Similarly the urban discretion development equalisation grant shall have 3 windows: (i) Municipal USMID (allocated to USMID municipalities only); (ii) Municipal – non USMID (allocated to the remaining municipalities only); and (iii) Town Councils (allocated to Town Councils only). Additional windows will be created to cater for any other regional development programmes that may be introduced.

|  |  |
| --- | --- |
| **Grant** | **Purpose** |
| **District Discretionary Development Equalisation Grant** | * Address development needs of rural areas * Provide discretion to LGs to fund priorities * Increase adequacy of funding whilst giving preferential treatment to LGs that are lagging behind |
| o/w PRDP and LRDP Districts |
| o/w PRDP and LRDP Sub-counties |
| o/w Other Districts |
| o/w Other Sub-counties |
| **Urban Discretionary Development Equalisation Grant** | * Address development needs of urban areas * Provide discretion to LGs to fund priorities * Increase adequacy of funding whilst giving preferential treatment to LGs that are lagging behind |
| o/w Municipal USMID |
| o/w Municipal – non USMID |
| o/w Town Councils |

### Grant Allocation Formula

The proposal is for both grants (district and urban) to have two components: (i) the basic component allocated based on the allocation criteria; and (ii) the performance component based on the performance of the LG.

#### Basic component allocated based on the allocation criteria

The proposed grant allocation formula for the basic component (albeit with different weighting applicable to both district and urban LGs) is described in the table below.

| **Variable name** | **Weighting** | | | | | | | **Justification** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **District DDEG** | | | | **Urban DDEG** | | |
| **PRDP & LRDP Districts** | **Other districts** | **PRDP and LRDP Sub-counties** | **Other Sub-counties** | **USMID Municipalities** | **Non USMID Municipalities** | **Town Councils** |
| Conflict[[1]](#footnote-2) | 5 | 5 | 5 | 5 | 3 | 3 | 3 | Allocate more resources to LGs severely affected by conflict |
| Constant (fixed allocation for higher/ LLGs) | 10 | 10 | 10 | 10 | 5 | 5 | 5 | Ensure that Higher and Lower LGs have minimum allocations for construction of meaningful infrastructure |
| Rural Population / Urban Population | 30 | 30 | 30 | 30 | 72 | 72 | 72 | Provide for demand/scale of delivering services |
| Poverty Head count | 50 | 50 | 50 | 50 | 20 | 20 | 20 | Equalizing variables - to allocate greater resources to districts that lag behind as per article 193 (4) of the Constitution. |
| Land area | 5 | 5 | 5 | 5 | 0 | 0 | 0 | Provide for costs of delivering services |

In both District and Urban DDEG allocations:

* The global PRDP and LRDP allocation will be maintained, thereby maintaining the additionality of the PRDP and LRDP to the relevant groups of districts. For example, LGs under PRDP will continue to get relatively higher per capital allocations compared to those that are not covered thereby maintaining the additionality to the PRDP districts.
* Similarly, globally, the USMID municipalities will not get a lower per capita allocation. Instead the non-USMID urban LGs will get a higher per capita allocation[[2]](#footnote-3).
* However, in application of the allocation formulae, some individuals LGs within these groups may get less than the existing allocations, some may get more.

Overall, the intent of the allocation formula is that it should: be objective, simple and easy to understand; be (politically) acceptable; use reliable information from official sources; not introduce pervasive incentives at sector level and is above all equalizing. During FY 2016/17 all the grants will be allocated entirely based on the basic allocation criteria and the performance component will not apply except for municipalities under USMID (see below).

The **medium term phase in plan** for the allocation formulae, in line with the 1st Budget Call Circular is as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **2015/16** | **2016/17** | **2017/18** | **2018/19** | **2019/20** | **2020/21** |
| **Discretionary Development Equalisation Grants (UShs Bn.)** | **209** | **210** | **251** | **289** | **339** | **408** |
| **District Discretionary Development Equalisation Grant** | **129** | **129** | **155** | **178** | **208** | **251** |
| o/w District DDEG - Other | 18 | 11 | 13 | 15 | 17 | 21 |
| o/w District DDEG - Other | 18 | 4 | 5 | 5 | 6 | 7 |
| *Percentage formula usage* | *-* | *100%* | *100%* | *100%* | *100%* | *100%* |
| o/w Sub County DDEG - Other | 0 | 7 | 8 | 10 | 11 | 14 |
| *Percentage formula usage* | *-* | *100%* | *100%* | *100%* | *100%* | *100%* |
| o/w District DDEG - PRDP & LRDP | 111 | 118 | 142 | 163 | 191 | 230 |
| o/w Sub County DDEG - PRDP & LRDP | 0 | 77 | 92 | 106 | 124 | 150 |
| *Percentage formula usage* | *-* | *100%* | *100%* | *100%* | *100%* | *100%* |
| o/w District DDEG - PRDP & LRDP | 111 | 41 | 50 | 57 | 67 | 81 |
| *Percentage formula usage* | *-* | *50%* | *100%* | *100%* | *100%* | *100%* |
| **Urban Discretionary Development Equalisation Grant** | **81** | **81** | **97** | **111** | **131** | **157** |
| o/w Municipal DDEG (USMID) | 74 | 68 | 82 | 94 | 111 | 133 |
| *Percentage formula usage* | *-* | *50%* | *100%* | *100%* | *100%* | *100%* |
| o/w Municipal DDEG (non USMID) | 6 | 5 | 6 | 7 | 8 | 10 |
| *Percentage formula usage* | *-* | *100%* | *100%* | *100%* | *100%* | *100%* |
| o/w Town DDEG | 1 | 7 | 9 | 10 | 12 | 14 |
| *Percentage formula usage* | *-* | *100%* | *100%* | *100%* | *100%* | *100%* |

#### Performance Component based on the performance of the LG (to be applied starting from 2017/18)

The performance component of the grant will depend on the performance of the LG during an annual LG performance assessment. The results of the assessment will be weighted and compared to the performance of other LGs. Government will build on the performance assessment system that has been applied to the LGs by the MoLG (LGMSDP), MoLHUD (USMID) and OPM (GAPR) to design a revised system during FY 2015/16. The main areas that will be improved include: the indicators being assessed and how they are scored; the assessment process, timing and teams; quality assurance/ verification of assessment results; and mechanism of administering rewards and sanctions. The USMID assessment will continue to be applied for FY 2016/17 with the new assessment process starting in FY 2017/18.

Since the results of the performance assessment in FY year “n” determine the allocation of the grant in FY “n+1”, the revised LG Performance Assessment system, as first implemented during FY 2016/17, will impact on the allocations for FY 2017/18. For FY 2016/17, with the exception of USMID municipalities, performance assessment results will not have an impact on LG allocations. Before changes are introduced, LGs will be informed of the details and implications of the revised performance assessment system.

## Overview of Development Budgeting and Management Requirements

To maximise synergies, the LGs will use the same Planning, Budgeting, Procurement, Project Execution, Reporting, and Performance Assessments for all development funds: Discretionary Development Equalisation Grant; Sector Development Grants; Local Revenue; and Donor/NGO Funding. In preparing and implementing the development budget there are set of standard requirements that must be fulfilled which are summarised in the table below and described thereafter.

|  | Summary of Requirements |
| --- | --- |
| **Requirements on the Use of the DDEG** | |
| Allocations across categories | * Capital investments for service delivery – minimum 65% * Capital investments for administration – maximum 15% * Other development activities/expenditures – minimum 10% * Capacity development – maximum 10% |
| Vertical Allocation | * For the rural areas, the DDEG is allocated using the above formula to Districts and Sub-counties. Sub-county allocations will be transferred directly to them via Straight Through Processing (STP). * For the urban component, the DDEG will be allocated to the Municipal Level and Town Councils * *Note: A schedule of allocations of the DDEG to Town Councils and Sub-Counties accompanies the IPFs for Local Governments.* |
| **Overall Development Budget Requirements** | |
| Principles for selecting Investments | The principles for selecting all Local Government Investments (whether funded from the DDEG, Sector Development Grants or other sources) mean that investments should be:   * Within the mandate of LGs * Incorporated in the LG approved district/urban development plan, Work Plan and Budget * Can be completed with the resources in the budget and made fully functional * Have provisions for recurrent cost implications * Focus on public rather than private goods * Do not have negative environmental and social impacts * Take into consideration equity issues (e.g. gender, etc.) * Are in compliance with Sector Budgeting Requirements and standards for all LG Investments |
| Investment servicing costs | * Investment service costs shall be provided forall infrastructure outputs (either by sector specific or discretional development equalisation grant) * For the DDEG, the investment service costs shall be maximum of 5% of the cost of infrastructure outputs in each department budget or the amount specified in the sector budget requirements, whichever is lower. The budget for the infrastructure outputs should provide for investment service costs. |
| Capacity Development | * The LG capacity building will be coordinated by LG management. * The LGs will spend maximum 10% of its combined sector development budget allocations for capacity development. This can come from either the DDEG or sector development grants. Sectors will be encouraged to allocate part of their development grants for LG Capacity Building. * The funds for capacity building will be used for: (i) discretional skills development – minimum 80%; and (ii) career development for technical staff which are a requirement for confirmation or promotion – maximum 20% |

## Development Budgeting Requirements

### Vertical Allocation of the Grant – share between HLGs and LLGs

* All the sector development grants (100%) will be allocated to the HLG (Districts and Municipalities).
* For rural areas the discretionary development equalisation grants will be allocated to both the districts and sub-counties using the allocation formula described above.
* For the municipalities, like under USMID, 100% of the DDEG will be allocated to the municipal level, and funds will not be fragmented across the divisions. This is because of the nature and size of the expected investments; the need to have impact from the investments, capacity constraints at divisions; and a need to have manageable supervision centers. However, the divisions will be actively involved in all the planning, budgeting and project implementation processes.
* Funds will be allocated to Town Councils following the allocation formula.

### Principles for selecting investments

* Investment must be within the mandate of Local Governments
* Investments must be incorporated in the respective Local Government approved plan, work plan and budget
* Investments should be in line with the Physical Plan
* It must be ensured that investments are fully functional: priority given to: (i) repair/maintenance of existing investments; (ii) completion/extension/construction of new investments on existing facilities; before (iii) construction of new facilities which should be done only when there are provisions for meeting recurrent cost implications.
* LG should allocate the full resources to complete the investment in the budget.
* Recurrent cost implications linked to the operation of the facilities should be met from sector budgets financed by conditional grants and other LG resources. Investments that lead to significant recurrent cost implications that cannot be met should not be financed.
* Adherence to positive/negative list for investments.
* Focus on public rather than private goods (under USMID public goods are defined as those that benefit more than 100 people)
* Investments should not have negative social and environmental impacts
* Take into consideration equity issues (e.g. gender, etc..)
* Investments must meet the sector budget requirements set out in the respective information papers and associated guidelines.

### Budgeting for Investment Servicing Costs

These are the costs that support the construction of investments including: project design and specifications, cost estimation and preparation of Bills of Quantities; environmental and social impact assessments, development of operation and maintenance plans, engineering/ construction supervision etc. Activities under investment service costs are often contracted out. For the DDEG, investment service costs shall be maximum 5% budgeted for against each capital outputs as items (EIA, design, monitoring of capital works).

### Budgeting for capacity building activities

The LGs will spend maximum 10% of the DDEG allocation to capacity building. The purpose is to enhance the capacity of LGs to fulfil their mandates. Whereas the component of the DDEG available for capacity building will be coordinated by LG management, it is supposed to be used to address the needs of both HLG and LLGs as reflected in the comprehensive capacity building plan approved by the LG Council. The capacity building component may cover:

* Discretionary capacity building activities: short-term skills development courses; on the job training; exposure visits etc. - minimum 80%;
* Career development for technical staff for areas that are a requirement for confirmation or promotion (e.g. certificate in Administrative Law for Administrators; Post Graduate Diploma in HRM for HRM Officers etc..) – maximum 20%

## Sector Development Budget Requirements to Be Applied to the DDEG[[3]](#footnote-4)

The tables below provides a summary of the **sector development budget requirements** which must be adhered to when allocating DDEG funding and identifying sectoral activities and investments to be funded. They are drawn from the respective draft sector Grant and Budget Information Papers.

### Sector Development Budget Requirements

| **Sector** | **Indicative Positive List** |
| --- | --- |
| Works & Transport | At least 80% of the development budget will be used to fund road rehabilitation or construction and may also fund the purchase of vehicles and equipment.   * Priority interventions will be based on a road conditions assessment (RAMPS) which will include road inventory, road condition data and traffic data. * Road rehabilitation should be fully funded before a local government proposes to use resources for the construction of a new road. * It must be ensured that on-going works are completed, paid for and infrastructure made fully functional: priority given to: (i) repair/maintenance of existing investments; (ii) completion/extension/construction of new investments on existing facilities; before (iii) construction of new facilities which should be done only when there are provisions for meeting recurrent cost implications.Between 5% and 10% of the development allocations to capital investments will finance investment service costs, such as bills of quantities or economic impact assessments. |
| Agriculture/ Commercial Services | Local Governments can allocate a minimum of 80% of the development budget to capital including infrastructure, production service delivery facilities and equipment. For example:   * Construction of small size farmer field schools valley dams, slaughter slabs, post-harvest loss saving stores, value addition facilities and cooling service points for fish * Irrigation support infrastructure (in as much as this can be designed and managed by the centre) * A maximum of 20% of the development budget allocations can be spent on administrative infrastructure e.g construction of office blocks, purchase of office equipment etc |
| Water and Environment | *Rehabilitation and Maintenance of Water Sources by Sub-counties*  Overall, a maximum of 15% of the Sector Development Budget can be allocated to rehabilitation major repair of water sources. Routine maintenance, including minor repairs, remains the responsibility of communities and associated water user committees within each sub county. |
| *New Infrastructure Investments*  A minimum 75% of the sector development budget should be allocated to capital - infrastructure, facilities and equipment as well as rehabilitation and maintenance of district specific access and O&M needs. Such facilities include:   * Water sources/points * Public toilets * Sewerage disposal   Districts can use part of the sector development grant for office construction and other administrative investments upon requesting and authorization by DWD.  The following principles should be adhered to in selecting development projects   * Priority 1: All those below the national average must be allocated investments before any other sub-counties * Priority 2: If there are more funds available, they should be allocated to sub counties below the national target level. * Priority 3: If there are funds remaining, then allocations can be made to other sub counties.   A list of sub counties under each category using data from the MIS will be distributed to Local Governments alongside the IPFs and these requirements.   * Up to 5% of the value of sector infrastructure investments can be allocated to investment servicing costs, including feasibility studies, procurement and monitoring costs. |
| Primary education | * A minimum of 80% of development budget will be used for capital investments, to fund rehabilitation or construction of service delivery or administrative infrastructure * A maximum of 10% of allocations to capital investments will finance investment servicing costs such as bills of quantities or economic impact assessments * LGs are required to adhere to the principles and guidelines for prioritising education infrastructure construction and rehabilitation:   + For Primary School Facilities: Priority should be given to a) parishes which do not have primary schools and b) the schools with the highest pupil to classroom ratios. Those schools performing poorly in PLE exams which meet criteria a) and b) should be given highest priority.   + For Secondary School Facilities: Priority should be given to a) subcounties without secondary schools b) schools with high pupil to classroom ratios. Those schools performing poorly in UCE and UACE should be given higher priority.   + For Teacher Housing: Teacher’s housing should be prioritised in schools in hard to reach areas and those areas which are far from urban settlements.   + For Sanitation Infrastructure: priority should be given to schools without sanitation facilities. * The complete costs of infrastructure investments must be budgeted for in a given year (e.g. the full costs of a classroom block, teachers house etc). LGs are encouraged to combine sector grant funds with DDEG funding to ensure this is the case. * Priority should be completion of incomplete works left unfinished by donor or other programmes. * LGs should be guided by the indicative positive and negative lists for selection of these investments. |
| Health | * At least 85% of the development budget will be used to fund health infrastructure rehabilitation or construction (**refer to table below guiding on principles for selecting eligible investments**). * 10% of budget allocations to health infrastructure and rehabilitation (capital outputs) will finance investment service costs, such as bills of quantities or economic impact assessments. * Infrastructure investments must be prioritised as follows in order of priority:   + Rehabilitation of existing investments;   + Completion/extension/upgrading of existing facilities; and   + ( Construction of new facilities, which should be done only when there are provisions for meeting recurrent cost implications. * Priority should be given to sub counties without a fully functional HCIII or counties without a functional HCIV. |
| Social Development | * This sector has no development grant. LGs may however fund capacity development activities from the discretionary development equalisation grant (DDEG). |

The tables below provide indicative lists of **capital investments for service delivery, other development activities, and capacity development** which may or may not be funded under the sector development budget from central government grants. These lists are drawn from the sector Grant and Budget Information Papers.

### Capital investments for service delivery

| **Sector** | **Indicative Positive List** | **Indicative Negative List** |
| --- | --- | --- |
| Works & Transport | * Rehabilitation and/or construction of district roads and/or urban with associated infrastructure * Construction or rehabilitation of foot paths, * Culverts and bridges * Street lights (urban areas) * Urban Solid and liquid waste management * Urban transport (bus/taxi/lorry parks) * Urban beatification (public parks, play grounds, urban landscaping etc..) | * Rehabilitation and/or construction of national roads within the district |
| Agriculture/ Commercial Services | * Small scale communal valley dams for livestock watering with a watering trough or a cattle crush. * Small level irrigations systems in drought prone areas for communal use, Irrigation demonstration centers at small scale * Construction of slaughter slabs and abattoir, Livestock markets, Communal cattle dips * Equipment to support tests for emergent Avian flu or influenza outbreaks among poultry cattle * MIS to support data management for farming produce, SMEs and other value addition and trade aspects as they evolve. * Demonstration fish ponds, fisheries landing sites, cool chains for landing sites, fish drying kiln * Market structures * Group marketing facilities such as storage * Plant clinics/mini laboratories | * Large scale valley dams * Farmer Institutional Support Services * Large scale Training centres * Specialist Farmer field schools – which should be at this stage coordinated by the centre |
| Water and Environment | * Water sources/points:   + protected springs;   + shallow wells,   + boreholes (hand pump, motorised)   + piped water supply system (GFS, borehole pumped, surface water)   + communal water harvesting systems * Public toilets * Sewerage disposal | * Household toilets * Household water harvesting systems/tanks; * Drainage/storm water drains * Cross-district piped water systems |
| Primary education | * Construction, rehabilitation, renovation of classrooms * Procurement of classroom furniture * Construction of teacher houses * Construction of sanitation facilities in hard to stay areas * Construction of water facilities at schools * Construction of dormitories to primary schools with peculiar conditions (eg in Sebei region, Karamoja region, - this varies accordingly and priority is given to the girl child) * Other infrastructure for schools (offices; kitchen and store; lightening conductors; fencing) |  |
| Secondary Education | * Construction of new classrooms * Rehabilitation/renovation of classrooms * Procurement of classroom furniture * Construction of teacher houses in hard to stay areas * Construction of sanitation facilities * Construction of libraries and furnishing them * Construction and equipping of laboratories * Provision of ICT facilities (computers), virtual libraries * Other infrastructure for schools (offices; kitchen and store; lightening conductors; fencing; solar power) |  |
| Primary health care (Health Centres II; III and IV) | * Out Patient Department (OPD) block * Maternity ward * General ward * Operating Theatre (Health Centre IV) * Drug store, cold storage for vaccines * Mortuary * Staff houses * Pit latrines * Medical Waste pit * Water source * Medical equipment and furniture * Furniture * Electricity (grid or solar) * Fencing * Equipment in health facilities |  |
| Social Development | * Facilities   + Community / Training Centres at the LLG level   + Public libraries   + Reception Centres * Purchase of Equipment   + Providing CDO’s / FAL instructors with equipment on which they have received training.   + Data collection and storage equipment * Transport * Bicycles/Motorcycles for CDO’s at the LLG level | * Transport   + Motor Vehicles |

### Capital investments for Administration

| **Sector** | **Indicative Positive List** | **Indicative Negative List** |
| --- | --- | --- |
| Public Sector Management / Administration | * Rehabilitation/construction of (and purchase of land for)   + Administration blocks   + Community centres   + Staff houses at subcounty headquarters in hard to stay areas * Equipment for administrative offices   + Computers and peripherals, office furniture & fittings   + Solar systems, generators, extension of grid power to administrative offices * Purchase of vehicles for entitled officers (MoLG authorisation required) | * Purchase of vehicles for officers who are not entitled * Purchase of military equipment. * Non capital items. |

### Other development activities/expenditures

| **Sector** | **Indicative Positive List** | **Indicative Negative List** |
| --- | --- | --- |
| Works & Transport | * Planting of trees on road reserves etc.. * Training road user committees for any road investment funded by the DDEG |  |
| Agriculture/ Commercial Services | * Communal nurseries * School gardens * Provision of foundation seeds for improved crop varieties to farmer groups * Provision of foundation stocking materials of improved breeds of livestock (including poultry) to farmer groups * Provision of support to community based multiplication of planting and stocking materials * Support to community hatcheries for fish fry and fingerlings * Establishing commodity outlet centres for bulking; value addition; grading; packaging and branding of farmer produce including appropriate small milk cooling plants * Establishing information centres to enhance information flow (market and other general information). | * Procurement of vaccines |
| Water | * Training Water User Committees for any water investment funded by the DDEG * Awareness raising in hygiene and sanitation |  |
| Natural Resources Management  Lands | * Restoration of degraded wetlands and forest reserves * Demarcation of wetland and forest reserves boundaries * Demonstration of wetland edge gardening, apiary farming, cottage industries from waste products such as cups from clay, crafts from papyrus, craft houses and community training centres, pottery groups * Training in environmental best practice (e.g. energy conservation, tree nursery establishment) * Other awareness campaigns and sensitisation on environment and climate change activities * Surveying and titling institutional land * Land rights awareness training |  |
|  |

### Capacity Development

| **Sector** | **Indicative Positive List** | **Indicative Negative List** |
| --- | --- | --- |
| Works & Transport | * Short courses and training on RAMPS, required software or project management |  |
| Agriculture/ Commercial Services | * Support training for extension service workers especially on new fish farming practices, crop technologies/varieties, and livestock practices * Short courses for staff in specific technical areas | * Training at high level especially Master Programs for district level technical staff |
| Water and Environment |  |  |
| Education | * Short courses * Procurement of training equipment eg computers | * Long courses eg masters and PHD programmes |
| Health | * Short training courses with direct relevance to function * Continuous professional development sessions (peer sessions, workshops, facility based sessions etc) | * Long Courses e.g. MAs, PhDs * Courses not related to function/post of the beneficiary officers |
| Social Development | * Service delivery training of CDO’s in:   + Proposal writing for income generating activities;   + Gender equity and gender sensitive budgeting;   + Sign language;   + Delivering PWD sensitization workshops;   + Enabling communities to identify and address child labour issues   + Identifying and addressing the needs of PWDs, OVC’s and other vulnerable groups   + The use of theatre for development * Administrative training of CDO’s in   + The application of sector guidelines;   + Data collection, analysis and reporting;   + Understanding and disseminating information packages from other sectors[[4]](#footnote-5); * Training of DCDO’s in:   + Identifying and addressing illegal / controversial labour matters / disputes * Training of FAL instructors | * Training of CDO’s in :   + New disciplines which are outside the scope of their responsibilities and duties * Courses that are more than 9 months in duration |
| Administration | * Short training courses   + based on established curricula * Career development for areas that are a requirement for confirmation or promotion (max 20%)   + Professional qualifications (e.g. accounting, procurement) * Masters via correspondence or local courses | * Undergraduate qualifications (degrees, diplomas etc) * PHD’s |

1. The conflict variable is calculated as follows: (i) 60 points to category 1 districts (severely conflict or cattle-rustling affected); (ii) 30 points to category 2 districts (sporadically conflict and/or cattle-rustling affected); (iii) 10 points to category 3 districts (conflict spill-overs); and (iv) 0 points to districts without immediate conflict impact in the last 35 years. The MoLG, OPM and LGFC will develop the criteria and determine the districts that follow with in the respective categories. [↑](#footnote-ref-2)
2. [↑](#footnote-ref-3)
3. The indicative positive and negative lists for the DDEG will be finalized with inputs from the sector grant and budget information papers. [↑](#footnote-ref-4)
4. e.g. on nutrition, sanitation, food security, conflict management and resolution, and family planning. [↑](#footnote-ref-5)