



THE REPUBLIC OF UGANDA

**Budget Monitoring Report
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Abbreviations and Acronyms

AAMP	Area Based Agricultural Modernisation Programme
ADB	African Development Bank
ADF	African Development Fund
BOQ	Bills of Quantities
BLB	Buganda Land Board
BMAU	Budget Monitoring and Accountability Unit
BMU	Beach Management Unit
BOOT	Build Own Operate Transfer
BTVET	Business Technical and Vocational Education and Training
CAO	Chief Administrative Officer
CAR	Community Access Roads Rehabilitation
CP	Community Polytechnic
CSOs	Civil Society Organisations
D&L	Defects and Liability
DANIDA	Danish International Development Agency
DEO	District Education Officer
DFO	District Fisheries Officer
DHO	District Health Officer
DIS	District Inspector of Schools
DRC	Democratic Republic of Congo
DUCAR	District, Urban and Community Access Roads
DUCARIP	District, Urban and Community Access Roads Investment Plan
DWD	Directorate of Water Development
DWO	District Water Office
DWSCG	District Water and Sanitation Conditional Grant
EAP	Energy Advisory Project
ECOSAN	Ecological Sanitation
EIA	Environmental Impact Assessments
ERA	Electricity Regulatory Authority
ERT	Energy for Rural Transformation
ESA	Education Standards Agency
ESM	Environment and Social Mitigations
FGD	Focus Group Discussion
FLC	Fish landing centres
FY	Financial Year
FY	Financial Year
GFS	Gravity Flow Scheme
GoU	Government of Uganda
GTZ	German Technical Cooperation
H/C	Health Centre

Ha	Hectares
HC	Health Centre
HEP	Hydro Electricity Power
HFO	Heavy Fuel Oil
HU	Health Unit
IFMS	Integrated Financial Management System
IFMS	Integrated Financial Management System
IPC	Interim Payment Certificate
IPFs	Indicative Planning Figures
KCC	Kampala City Council
Km	Kilometer
KOPGT	Kalangala Oil Palm Growers Trust
KRDP	Karamoja Roads Development Programme
LG	Local Government
LGDP	Local Governments Development Programme
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MCSL	Microfinance Support Centre Limited
MEMD	Ministry of Energy and Mineral Development
MFI	Microfinance Finance Institutions
MFPED	Ministry of Finance Planning and Economic Development
MFPED	Ministry of Finance, Planning and Economic Development
MoES	Ministry of Education and Sports
MoH	Ministry of Health
MoWT	Ministry of Works and Transport
MT	Metric tonne
MWE	Ministry of Water and Environment
NARO	National Agricultural Research Organization
NIPPC	National Industrial Parks Planning Committee
NWSC	National Water and Sewerage Corporation
OHS	Occupational Health and Safety
OPD	Out Patients Department
OPUL	Oil Palm Uganda Limited
PAF	Poverty Action Fund
PCU	Project Coordination Unit
PHC	Primary Health Care
PPA	Power Purchase Agreement
PPDA	Public Procurement and Disposal of Public Assets (Act)
PPDPA	Public Procurement and Disposal of Public Assets Authority
PPP	Public Private Partnership
PWSS	Piped Water Supply System
RAFU	Road Agency Formation Unit
RAP	Resettlement Action Plan
RDC	Resident District Representative

REA	Rural Electrification Authority
RGC	Rural Growth Centre
RHS	Right Hand Side
RRP	Rural Roads Rehabilitation Programme
RSPS	Road Sector Programme Support
RWSS	Rural Water Supply and Sanitation
SFG	School Facilitation Grant
TSU	Technical Support Unit
TVET	Technical Vocational Education and Training
UA	Unit of Account
UCC	Uganda College of Commerce
UETCL	Uganda Electricity Transmission Company
UGX	Uganda Shillings
UGX	Uganda Shillings
UIA	Uganda Investment Authority
UMI	Uganda Management Institute
UNRA	Uganda National Roads Authority
UPE	Universal Primary Education
UPPET	Universal Post Primary Education and Training
USD	United States Dollars
USE	Universal Secondary Education
UShs	Uganda Shillings
UTC	Uganda Technical College
UVQF	Uganda Vocation Qualifications Framework
UWSS	Urban Water Supply and Sanitation
VAT	Value Added Tax
VIP	Ventilated Improved Pit
VODP	Vegetable Oil Development Project
WFP	Water for Production
WSB	Water and Sanitation Board
WSC	Water and Sanitation Committee
WSDF	Water and Sanitation Development Facility

Executive Summary

Background

In an effort to enhance efficiency and effectiveness of public investments, Government stepped up its monitoring efforts. To this effect, the Budget Monitoring and Accountability Unit (BMAU) prepares quarterly reports. The monitoring is confined to the levels of inputs- outputs in four areas namely:

1. Agriculture
2. Infrastructure (Energy and Roads)
3. Industrialization and
4. Social Services (Education, Health, and Water and sanitation)

This report is based on a few selected programmes in the mentioned sectors. Selection was based on the significance of the budget allocations to the votes within the sector budgets, with focus being on large expenditure programmes. Preference was given to development expenditure except in health and education sectors where some recurrent costs were tracked. In addition, the programmes that had submitted annual work-plans and progress reports by the end of December 2008 were followed as they had specified outputs and targets for the quarter, especially if these were funded.

Findings

(a)Public expenditure management

1. Except for the agriculture sector, releases were below the expected 75% of approved budgets. It was lowest for industrial parks where only 57% of the approved budget had been released. However, the absorption capacity of the sectors was also poor. Except for education where 93% of the releases were spent, other sectors spent less, with the worst performer being health with only 55% spent.
2. There were discrepancies between IFMS sector financial records when compared to performance reports of the health; and works and transport sectors. ***This means that the IFMS financial data continues to be unreconciled with sector financial information, making the former an unreliable basis for budgetary decisions.***
3. There was good flow of domestic development funds within the selected local governments, as all funds were remitted on a timely basis to the reviewed departments. However, the departments had low absorptive capacity because of the lengthy procurement processes. There were also instances when the Ministry of Finance remitted funds to local governments without details of intended use of such funds which was also a source of delay.

(b)Agriculture

(i) Fish Markets

1. All sampled fish markets were not completed and were therefore not operational. In some instances the contactors had actually abandoned the sites for the past many months.
2. In all instances, the beneficiaries were unsatisfied with the market designs (in terms of space, number of stalls, roofing of structures) and complained about the lack of consultation by MAAIF.

(ii) Fish Landing sites

1. For the sites under Spenco Services Ltd, progress was good and quality of work appreciated. The opposite was noted for the Dembe and Liberty contractors where work was substandard and slow. It was evident that the Dembe consortium had weak capacity that was exacerbated by the internal wrangles which were fueled by political interference in some instances.
2. In some sites, high tech equipment has been installed. However, there is no capacity within the respective local governments to operate the equipment. In addition local governments have already expressed fears about anticipated maintenance costs.

(iii) Aquaculture

The civil works was progressing well, although there were initial delays. For Kajjansi, the concerns were about inadequate staffing and equipment as well as high input costs. For Gulu it was the limited participation of the local government that is expected to operate the centre.

(iv) Vegetable Oil Development Project

1. Construction of The Kalangala oil palm Growers' Trust office block, and the oil palm mill are ongoing following the lengthy procurement processes.
2. Land acquisition is still a problem as it gets scarce and more expensive. Fifty seven percent of the required 400 ha of land has been surveyed and titled.
3. The out-growers are dissatisfied with the poor maintenance and fertilizer application on their fields, which is breeding distrust between the out growers and Oil Palm Uganda Limited (OPUL).
4. Some palm fruits are ready but farmers have rudimentary harvesting technology.

(c) Education

The sector continued to implement activities outside the agreed upon work-plan. For project activities under non residential buildings; and renovation and equipping of buildings, a total of **shs 665,335,500 was spent on unplanned activities.**

(i) Emergency Construction and Rehabilitation of Primary schools

The sector reported (in quarter 2 progress report) having spent shs 319,000,000 on four primary schools. However, there are concerns about 3 of the 4 schools. The Unit has established that Namiyango primary school in Mbarara district **does not exist**; Masuliita primary school **did not receive funds in Q2** except the delayed shs 79,000,000 that was disbursed in Q1; and Nakasuwa primary school in Mayuge got a top-up of shs 25, 000,000 to complete a school established through a local fundraising initiative by the area MP.

It is therefore evident that most of the shs 319 million was not expended on this component.

(ii) ADB III Education project

Construction of the seed schools was largely completed in many cases and it was good quality work. However, the limited community participation in the projects threatens effective maintenance of the structures.

(iii) GoU Seed schools

Most visited schools had good quality work. This was in Pader, Masindi, and Ibanda, districts. However, Gogonyo S.S in Pallisa had shoddy work by Kamukamu Construction Company. The concern by all local governments was the lack of information on the planned construction activities in their areas, which weakened their supervisory function.

(iv) Construction of USE schools

Generally construction of USE schools was progressing fairly well although the approved budget of shs 75,000,000 was said to be inadequate and was delaying completion of activities. However there were also instances of poor quality work (Busalamu SS in Iganga district) where the contractors had not redressed the defects.

(v) School facilities grant (SFG)

Majority (6 of 9 visited) districts had delayed in SFG construction due to procurement processes. A challenge that was faced was the supply of desks at shs 45,000 each which suppliers had shunned as it was deemed to be very low.

(vi) Business, Technical and vocational education training (BTVET)

Majority of BTVET institutions (6 of 8) that the sector reported to have worked on during quarter 2, had actually received the funds and work was at various stages. **However two institutions, National Meteorological centre in Entebbe, and**

Nabyeya Forestry College in Masindi that were also said to have received funds during that quarter, had not been funded.

(vii) Primary Teacher colleges and National Teacher Colleges

- Good work was in progress in Kabale Bukinda Core PTC.
- A number of PTCs had received TV sets ; DVD players and educational materials on HIV/AIDS.

(viii) Technical Vocational Education and Training, P7 Graduate Enrolling Institutions

Good work was in progress in Kitagata Farm school in Bushenyi.

(ix) Presidential Pledges

Apart from Nkoko Technical institute in Mayuge, construction work on all other institutions had not started as yet. Reasons for the delays included, lengthy procurement processes, as well inadequate budgetary provisions for the works.

(x) Education Standards Agency (ESA)

1.The agency is tasked to enhance the supervision function within the sector. Although 2.5bn was provided this FY, there were concerns about the meager provisions for operations.

2.The Agency has noted the many weaknesses within school operations that are responsible for the poor quality of education. The concerns range from teacher absenteeism, and poor preparations for teaching that have rendered the thematic curriculum non functional. The inadequate school books and absence of school feeding have exacerbated the problem. Most of the above issues have been on the books for decades and government should take steps to seriously address them. The inspection itself is faced with problems of limited facilitation, and poor monitoring tools.

(d) Energy

(i) Bwindi HEP

Currently 60% of the project is completed. The project is behind schedule and completion has been shifted a year forward (June 2009). This has been a result of the conditionalities of locating in Magahinga/Bwidi Forest the home of the mountain gorillas where the contractors had to minimize “noise” levels.

(ii) Ishasha HEP

1. Currently 40% of project has been completed, and is only one month behind schedule. The major challenge has been land acquisition where land titles from the Kanungu Land Board are not forthcoming. This is affecting the company, Eco Power that needs the land title to reach financial closure with its lenders.

2. There are also issues of tax waivers that URA offered to Eco Power which excluded the latter's suppliers. Eco Power is not ready to pay taxes to the suppliers, which is hampering willingness of suppliers to deliver goods and services.

3. There are also rampant thefts of project construction materials, especially cement and fuel.

(iii) Buseruka HEP

1. 40% of the project is complete, and is only one month behind schedule. The major challenge was the wrong geological survey report that was given to the company, Hydromax Ltd that has caused expanded scope of work and hence delays and cost overruns.

2. There are also a number of land disputes in the project area. These wrangles and lack of land title for Hydromax has meant delayed financial closure with the banks (ADB and PTA Nairobi Bank).

3. URA is demanding for 0.5% of the US\$ 19 million loan as stamp duty, a cost that was not planned for.

4. There are also rampant thefts of project construction materials, especially fuel.

(iv) GTZ Energy Installations in Masindi, Kayunga and Jinja districts

Masindi

1. A solar system was installed in Hope North Vocational School in Masindi. This school in a resettlement camp has been transformed in its operations and is now using ICT. The challenge is the overload that the acquired equipment is putting on the solar system.
2. Although an energy needs assessment was done for Panyandoli Secondary School in 2007, no solar system has ever been delivered.
3. Solar PVC systems were installed in 9 health units, resulting in improved morale for the health staff. However, there were concerns of poor maintenance; and thefts resulting from inadequate security around the health facilities.

Kayunga

Nine health Units received the Solar PVC systems, which has enhanced staff motivation. However, there were concerns of poor maintenance; and thefts resulting from inadequate security around the health facilities.

Jinja

Fifteen health Units received the Solar PVC systems, which has enhanced staff motivation; and operations particularly in immunization and assisted deliveries. However, there were concerns of poor maintenance; and thefts resulting from inadequate security around the health facilities.

(e) Health

1. Of the 4 visited mental health facilities under construction, good progress was noted at Masaka and Mubende hospitals. However, work had not started in Moroto and Kanungu because one contractor was over loaded with work on many sites.
2. Good work was progressing in Masaka and Buhinga Regional Referral Hospitals. However, in Masaka there were critical unfunded priorities that include the operation theatre and mortuary.
3. Civil works under PHC in districts was at different stages. Of the 16 visited districts work was ongoing except in Sembabule, Kasese, Mubende, Bukedea and Kapchorwa. Except in Kapchorwa where the delay was caused by a disagreement on priorities between the district and MoH, the rest it was delayed procurement.
4. *Communication gap.* Most of the districts visited reported that they had not been consulted in the selection of capital development priorities this FY. In other cases, facilities identified by MoH were not considered as priorities in some districts. This has led to delays in contracting out works in some districts for example Kapchorwa.

The same poor communication had some districts unaware of the sector reallocations that were effected in September 2008!

5. *Shortage of medical equipment and health supplies:* Health facilities are experiencing shortage of medical equipment including forceps, scissors, and gloves among others especially following the re-allocation of funds earlier allocated for procurement of such equipment to payment of allowances to health workers. In addition there are several health facilities that have been constructed in the recent past but are currently not functional due to lack of equipment and health workers.
6. *Staffing levels:* districts are consistently failing to attract and retain health works. The most affected categories are Medical Doctors, Dispensers, Laboratory Technicians and Anesthetists. The private sector and neighboring countries are offering higher remuneration than the public sector.
7. *Staff housing:* Districts have a shortage of staff houses. Health workers that are based in rural health centers are not able to find decent accommodation (for hire) in their

neighborhood and resort to residing in towns. They incur transport costs and are not able to report for work daily which partly explains the high levels of absenteeism.

(f) Industrial Parks

1. Civil works on infrastructure developments were ongoing and at various stages at Namanve, and Luzira Parks.
2. In Mbarara industrial park, the sitting tenants in industrial related businesses were using the facility without any clear guidelines.
3. In Mbale land procurement had been done but the land was heavily encroached on and valuations had been made for compensation. However the agreement was not clear on who was to effect the compensations.

(g) Roads

(i) National Roads Maintenance programme

The seven roads visited were at various stages of completion. At all sites work was ongoing but was behind schedule for Gulu-Pabbo road, and the Awoja swamp on Kumi-Soroti road. The Busega-Mityana road had defects on finished parts, as well as emerging new potholes.

The general areas of concern include:

- Transport constraints for contract supervision staff at several UNRA stations across the country. This was observed in Lira, Gulu and Masaka (3 out of 6 stations visited) and has limited the presence of supervision staff on site during construction.
- Lengthy procurement processes that delayed commencement of contracted activities to mostly the third quarter and thus leaving insufficient time for completion of the projects before the end of the FY. It was observed that a big portion of the contracted activities are not likely to be completed by the end of the FY.
- Delays in effecting advance payments for projects procured by MoWT in late FY 2007/08 caused delays in commencement of contracted works under the projects. This was occasioned by the time lost during the period of handover of contracts from MoWT to UNRA.
- Capacity weaknesses of some contractors like M/s Sobetra (U) Ltd on Gulu – Pabbo road, who reportedly had cash flow problems leading to slow progress of works and extensive contract time overruns.

(ii) Karamoja Roads Development Programme

1. The Lokichar-Turtuko-Nyakwae road was visited and the contractor had not fully mobilized. The works contract covers only 44kms instead of the whole 50kms, leaving the impassable stretch of the road out!
2. Issues for slow implementation included insecurity that limited operations of the contractors. In addition the company was facing acute water shortage that was affecting the construction works.

Of concern was the lack of payment to most (3 of 4) contracts under this programme by government.

(iii) Support to Tourism Infrastructure Development

1. All roads to be worked on this FY were still procuring contracts.
2. Two of the roads completed last FY (Kabale- L.Bunyonyi road; and Katuna-Bigaga-Muko road) had impassable portions already, a sign of substandard work that was done.
3. The Ikumba –Ruhija-Hamayanja road was under construction with limited supervision and equipment. There was evidence of shoddy work, with irregular spacing of gravel. In fact the already worked out portions were already impassable!

(iv) Area based Agricultural Maintenance Programme

Rehabilitation work had been substantially completed on many roads. However of concern were issues of:

1. Limited supervision that lead to substandard work being done in many areas.
2. Slow disbursements because of the lengthy donor procedures.

(v) District, Urban and Community Access Roads

Civil works was ongoing in various stages.

1. In Kampala City Council, the periodic maintenance of tarmac roads, under Zzimwe Enterprises was substandard. They were using poor construction methods during setting out and formation.

There was also over costing of contracts for both Zzimwe and Multiplex. Under Zzimwe, the Ntinda-Kisaasi road was 1.53 km and not 2km as 0.47km had been worked on under the Northern Bypass project. Similarly, for upgrading gravel roads to bitumen by Multiplex, the Bukoto-Kyebando road (1.25km) that had been worked on under another programme was included. In addition, under Multiplex the Nsooba-Kyebando road was 1.6km and not 2.1km as a portion had also been covered under the Northern Bypass project.

2. The districts visited in eastern and northern Uganda had maintenance works with various challenges:

- Lengthy procurement procedures that delayed works. It was worse for districts that used DANIDA funds (accounted for 80% of budget) as this limited commitment levels.
- Slow releases of funds from the centre were evident in the districts of Katakwi, Kitgum, Kumi, Mbale, Pader and Soroti. In the districts of Kitgum, Mbale and Soroti it was worsened by the internal delays in transmitting funds at the districts to the department accounts. In Kitgum, for example, it took an average of 2 months.
- There was weak supervision since the function was transferred to UNRA. In Pader, inadequate supervision coupled with poor contracting resulted in very substandard works.

(h) Water and Sanitation

(i) Rural Water Supply and Sanitation:

1. Most construction of water sources was expected during Q3 and Q4. The main challenges found under this vote included slow procurement for the district water and sanitation conditional grant, lack of operation and maintenance planning and use of inadequate designs. To this effect, only three outputs under this vote had been initiated or attained.
2. The extension of a pipeline from Butiaba army barracks to the community in Butiaba had a pipeline laid but it does not extend to the community as costs of operation and maintenance were not considered.
3. In Bushenyi district, a piped water supply system had been installed and is functional in Ryeru sub-county. In Kichwamba the system is functional but water is intermittent and flows for 4 hours a day.

(ii) Urban Water Supply and Sanitation:

1. 'Rural Towns Water Supply and Sanitation,' has made good progress with a comprehensive approach to public sanitation that could be replicated for other projects. However, in some districts (e.g Mpigi) poor contracting and supervision led to substandard laying of the pipelines. In addition some districts (Mpigi, Mityana) had poor latrine construction.
2. Delays to the project were largely due to late payments from MFPED in FY07/08.
3. All districts had problems of intermittent water supply due to irregular power supply from the national grid.
4. Under the Energy for Rural Transformation programme, solar panels were fully utilised in three of eight locations monitored. The programme had suffered poor supervision that resulted in faulty designs in some districts (Kyenjojo, Bundibugyo) as well as construction of substandard ECOSANS that presented risks of contaminating the water.

There were also instances of under-utilisation of the energy packages (Katakwi town and Kotido) due to poor functionality of the piped water supply systems. In some districts (Moroto) inadequate security had resulted in damaged solar panels.

5. Under the ‘Support to Small Towns Water Supply and Sanitation,’ works are progressing although there have been delays. This has been a result of late payments of contractors although funds were released on time by Treasury. There was also an issue of poor supervision.
6. There are clear benefits to the approach of ‘South Western Towns Water Supply and Sanitation’ (Water and Sanitation Development Facility), as operations are decentralised and demand driven. However, there have been untold delays in works (more than a year). In Rukungiri and Isingiro districts, where an incompetent firm was contracted, it has taken more than eight months just to procure pumps.
7. The ‘North Eastern Towns Water and Sanitation Project,’ works are complete as reported and the piped water supply system was functioning with some snags remaining. However, the centralized project had suffered poor supervision as the district water officers had minimal participation (especially in Amuria). The resultant poor quality works have already resulted in damages as pipes laid close to the surface were destroyed by the road construction works.

(iii) Water for Production:

Works are progressing well for the three dams and four valley tanks monitored. However, with the exception of Mayikalo dam in Sembabule district, the other interventions are behind schedule. The delays were largely due to:

- Late clearing of payments certificates by DWD after funds had been released by MFPED,
- Poor performance of contractors (especially in Isingiro and Sembabule districts). This is a result of both poor contracting exacerbated by weak supervision of the centralized project operations.
- Unresolved land issues, especially in Isingiro and Sembabule districts where communities were demanding for compensation.
- Changes in architectural designs during implementation resulting from poor prior community consultations.

Recommendations

(a)Public expenditure management

- There is need to disburse funds to sectors that have shown “readiness” to spend to avoid accumulation of unused balances on sector accounts.
- Further analytical work should be carried out to identify the causes of the discrepancies between the IFMS data and the information contained in the performance reports submitted. This may require a comprehensive audit or investigation as deemed fit.

- For the case of districts, there is need for early procurement planning to avoid delays arising from lengthy procurement procedures. This will ensure that contracts are awarded in time to commence on execution of activities.
- MoFPED should endeavour to send details of approved use of funds whenever disbursements are made to the districts.

(b) Agriculture

(i) Fish markets

- MAAIF should ensure proper completion of all the fish markets particularly focusing on rectifying the anomalies/snag areas. This would involve ensuring that all the contractors complete their work as per the agreed terms.
- Projects such as the Fisheries Development Project should be sufficiently decentralized and district officials empowered to ensure effective implementation and supervision of the various interventions. Empowerment could include timely sharing of information about the project and provision of funds for effective monitoring by district officials.
- Future fish market designs should consider beneficiary needs and future demands.

(ii) Fish Landing

- All the sites handled by the contractor Dembe-Liberty Joint Venture are under-performing and are unlikely to be completed within the project period at the current pace. It is recommended that this contractor is terminated and replaced by a contractor with proven high capacity to deliver, given the short period before elapse of the project.
- The design of some facilities e.g rubbish skips, toilets – did not take account of the needs of the physically handicapped and yet many are several metres off the ground. It is recommended that, in future, all structural designs should not be approved unless they include facilities for the physically handicapped.
- MAAIF should work out with districts a schedule for maintaining the new facilities, indicating how and where the funds for maintenance will be sourced on a sustainable basis.
- In future, projects like this one should be sufficiently decentralized especially in the area of monitoring and supervision.

(iii) Aquaculture

- Consideration should be given to granting semi-autonomous status to Kajjansi Aquaculture Research Station to first track aquaculture research and development in the country.
- A management plan to operationalise, Gulu Aquaculture Centre and any other of this nature is urgently needed from MAAIF to guide the respective districts in proper implementation. The management plan should also include guidance on how the infrastructure will be maintained. It is important that these management plans are fully discussed and agreed upon by the relevant parties- MAAIF, NARO and the districts.
- The aquaculture research centres should be properly staffed and equipped for functionality.

(iv) Vegetable Oil Development Project

- Oil Palm Uganda Ltd (OPUL) should improve maintenance of out-grower fields and provide accountability to farmers on how much has been applied to their fields. This will increase transparency in the cost-recovery process and confidence among the out-growers.
- Kalangala Oil Palm GrowersTrust (KOPGT) should work out a scheme involving the out-growers to step up the monitoring efforts of all the activities undertaken by OPUL on the out-grower schemes.
- Construction of the KOPGT office block and equipping it as well as construction of the store should be fast tracked.
- Smallholder farmers and out-growers should be trained and adequately prepared for the harvesting processes. GoU needs to pay special attention to supporting farmers with appropriate technology for harvesting and transporting produce to the processing mill in a timely manner.

(c) Education

1. The sector should as much as possible work within the approved work-plan. In instances where changes are effected, they should be justified and communicated to the Ministry of Finance.
- 2.The sector should **refund** the balance of shs 319 million that was not spent on emergency rehabilitation of primary schools as the Q2 progress report claimed. In addition funds purportedly spent on The National Meteorological Centre in Entebbe, and Nabyeya Forestry College in Masindi should also be refunded.
- 3.The sector should strengthen contracting mechanisms for GoU seed schools, and should institute punitive measures to contractors who produce shoddy work. These contractors should be black listed and barred from taking on future contracts.
- 4.Under the universal secondary education, the shs 75,000,000 for constructing the seed schools, needs revision in light of the increased prices for construction materials. This should be done quickly so that all schools are properly completed for use.
- 5.Under the school facilities grant the unit cost of shs 45,000 per desk may be revised appropriately. **Alternatively the sector may exploit intra-sectoral linkages by using the many vocational and technical institutions to produce the desks for all schools country wide, at that price. This would provide both experiences to the students as well as income to the colleges for payment of utility bills that are a source of complaint by the colleges.**
6. The sector should start its procurement processes early in anticipation of funding to ensure timely construction of facilities.

7. The Education Standards Agency should be adequately facilitated for effective inspection of schools and colleges.

(d) Energy

1. Ministry of Finance, Ministry of Energy, URA and the energy companies should hold high level meetings and resolve the issues of tax waivers
2. The Uganda Land Board, District Land Boards and energy companies should expedite the processes of land acquisition for project sites.
3. The police force and district authorities (where energy projects are located) should work jointly with the energy companies to ensure security of project sites.
4. The local governments and departments where solar PVC systems have been installed should be supported to build adequate capacity to sustainably maintain the systems. This may entail both technical and financial support to procure spare parts.

(e) Health

1. *Involve districts in selection of capital development priorities:* This is intended to make sure that the allocations are actually informed by actual costs and that they are responsive to the pressing needs of the districts.
2. *Timely preparation of bills of quantities (BoQs):* Lack of BoQs at the start of the FY is the main reason for delaying procurements. Districts should be supported to prepare BoQs early in the FY so that procurements are initiated within the first quarter of the FY.
3. Improve on communication between departments at all levels of government.
4. *Establish Regional stores for the National Medical Stores (NMS).* This will reduce the cost of drug management for districts. Districts as far as Moroto or Bundibugyo have to travel to NMS to place orders, follow up and sometimes to collect drugs. These costs would be minimized if regional stores are established.
5. *Revise the salaries for health workers:* This is intended to reduce on the current level of staff attrition who prefer to work in the private sector and to migrate to neighboring countries.
6. *Prioritise equipping health facilities and rehabilitation of existing facilities over construction of new ones.* It is cost effective to equip health facilities that are constructed and to rehabilitate existing before constructing new ones. This will have immediate impact on increasing access to health facilities.

(f) Industrial parks

1. The Uganda Investment Authority needs to set up adequate Management structures. There is a need for physical planners, land officers and park managers.
2. The UIA should carefully study land procurements to minimize taking on land with tenants which will cause delays as well as cost overruns for the project.

(g) Roads

1. There is need to strengthen the supervisory function of UNRA regional engineers as well as district engineers
2. The districts should be supported to carry out proper contracting to avoid tacking on companies with limited capacity and experience. On the other hand, MoWT and UNRA should black list all companies that do sub standard work so that they are prevented from participating in future contract processes.
3. The districts should be supported to initiate procurement processes well in advance to reduce delays in implementation.
4. MoWT and UNRA should speed up disbursements of funds to districts.
5. MoWT and UNRA should institute mechanisms to recover funds from Kampala City Council, for the overpriced contracts awarded to Zzimwe and Multiplex companies.

(h) Water and Sanitation

1. Outstanding payments should be cleared by DWD once funds have been released by MFPED to prevent accrual of interest and delayed works. DWD could consider streamlining current payment procedures. Project Engineers should also have access to information on IFMS so that they are aware of the funds available to help guide operations.
2. Local officials who will be responsible for the water source once it is completed should be involved in the supervision of the projects and have access to project documents. A good example of this is the water and sanitation development facility (WSDF) in western Uganda. This would help to smooth operations and maintenance once an intervention has been handed over.
3. Contracting procedures should be improved to ensure quality firms are selected. Feasibility studies and designs should also be thoroughly reviewed before a contract is awarded. Firms that have shown in competency should be blacklisted and not awarded future contracts.
4. Supervision should be improved to reduce instances of poor quality works. This should primarily be at the level of the consultancy firms which are responsible for ensuring

projects are delivered to design and technical specification. Competition in the consultancy sector should be promoted.

5. Alternative energy sources, such as solar panels or back up generators should be included in the design of piped water supply systems for locations where there is irregular power supply. One positive example of this is the water and sanitation development facility, where solar panels were included.
6. Particularly for Water for Production, it is important that land issues are resolved by local officials prior to starting construction. This would help to avoid delays and ensure local community ownership of the intervention, which will ease operations and maintenance.
7. Public sanitation efforts should include gender and equity concerns. One positive example of this is 'Rural Towns Water Supply and Sanitation.' where separate public latrines have been constructed for men and women, and for boys and girls in schools, with access for people with disabilities.

Chapter One: Introduction

In an effort to enhance efficiency and effectiveness of public investments, Government stepped up its monitoring efforts. To this effect, the Budget Monitoring and Accountability Unit (BMAU) that was established in June 2008 to spearhead these efforts, prepares quarterly reports. The budget monitoring is concerned with tracking implementation of selected government programs or projects and with **observing how values of different indicators against stated goals and targets change over time**. The monitoring is confined to the levels of inputs- outputs in four areas namely:

5. Agriculture
6. Infrastructure (Energy and Roads)
7. Industrialization
8. Social Services (Education, Health, and Water and sanitation)

1.1 Process

This report is based on a few selected programmes in the mentioned sectors. Selection was based on a number of criteria:

- The significance of the budget allocations to the votes within the sector budgets, with focus being on large expenditure programmes. Preference was given to development expenditure except in health and education sectors where some recurrent costs were tracked.
- The programmes that had submitted annual work-plans and progress reports by the end of December 2008 were followed as they had specified outputs and targets for the quarter, especially if these were funded.

1.2 Limitations of the report

1. Information on donor releases was not readily available for all programmes and hence financial performance may have been underestimated.

1.3 Structure of the report

The report has four chapters. The second chapter reviews the financial performance while chapter three focuses on the physical performance of the selected programmes. Chapter 4 concludes and gives recommendations.

Chapter 2: Financial Performance

2.0 Introduction

The analysis consists of three components namely:

- The general budget performance by all the selected sectors
- In-depth analysis of three sectors¹, where comparisons are made between IFMS and sector records
- A review of the flow of development funds within eight selected districts of Kitgum, Gulu, Oyam, Kabale, Rukungiri, Ntungamo, Isingiro and Ibanda.

2.1 General Budget Performance

This section reports on domestic development approved annual budget, releases and expenditures for the period July 2008- March 2009 to the Ministries of Agriculture, Education and Sports ; Energy; Health, Ministry of Works and Transport, Water and Sanitation, Industry and Development of Industrial Parks.

2.1.1 Ministry of Agriculture, Animal industries and Fisheries

- The total Capital development government of Uganda (GoU) budget support amounts to shs 9.49 billion for the financial year 2008/2009. The amounts released for the period amounted to shs 7.25 billion representing 77%; while the total amount spent of the released amount is 88% (See details in Annex table 2.1)
- All the projects spent well above 60% of the funds received.

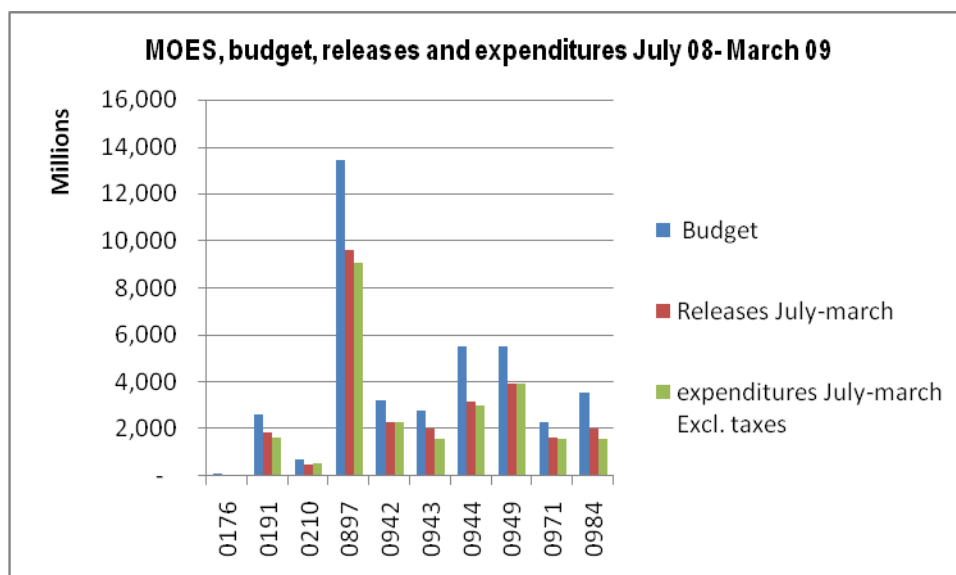
¹ The sectors are health, works and transport; and industrial parks

2.1.2 Ministry of Education and Sports

The total domestic development budget for the financial year 2008/2009 amounts to Ug.Shs 39.7 billion. For the period July 08- March 09 a total of shs 27.07 billion was released representing 68% of the total approved budget (See details in Annex table 2.2). All the projects spent above 77 % of the amount received save for the Child friendly Basic education project (0176) which spent 47% of the money received.

The details are shown in the graph 2.1 below.

Figure 2.1: MoES budget, releases and expenditures July 08- Mar 2009



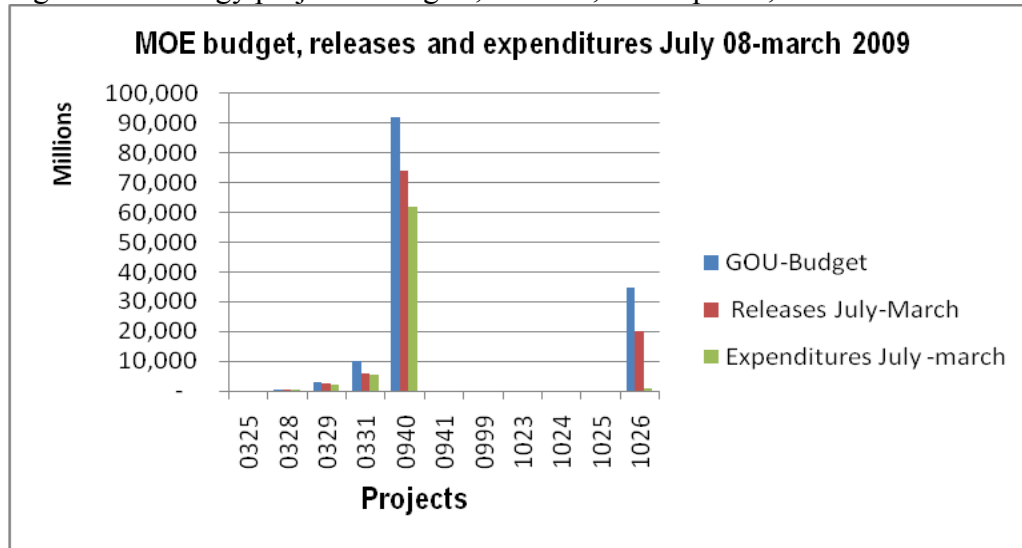
- 176 Child Friendly Basic Education
- 0191 Reh.Nat.Health Serv.&Dept.Train.Ins
- 0210 WFP/karamoja
- 0897 Development of Secondary Education
- 0942 Development of BTVET
- 0943 Emergency Const.& Reh. Prim. schools
- 0944 Development of Prim.Teachers' Coll.
- 0949 ADB iii Postprimary Educ & Training
- 0971 Devt Tvet P7 Grad. Enrolling Instit
- 0984 Relocation of Shimoni PTC & Pri. school

2.1.3: Ministry of Energy and Mineral Development

A total of shs 140.8 was the approved annual budget for energy and minerals while the domestic arrears was shs 376 million on the Petroleum Exploration project. The total release for the period July 08- March 09 was 103 billion representing 73 % of the approved budget (See details in Annex table 2.3).

The graph 2.2 below shows the amount released and the expenditures of the projects.

Figure 2.2: Energy projects' budgets, releases, and expends, Jul 08-Mer 09



- 0325 Energy for Rural trans. - MEMD
- 0328 Sustainable mgt. Mineral Resources
- 0329 Petroleum Exploration Promotion
- 0331 Rural Electrification
- 0940 Support to thermal Power Generation
- 0941 Support to the Energy Fund
- 0999 Power Sector Development Programme
- 1023 Promotion of Renewable Energy
- 1024 Bujagali Interconnection Project
- 1025 Karuma Interconnection Project
- 1026 Mputa Interconnection Project

From the graph above , Mpuuta interconnection Project (1026) received a total of shs 20.1 billion of the approved annual budget of Ug shs 35 billion of which it spent only shs 1 billion representing 5%.

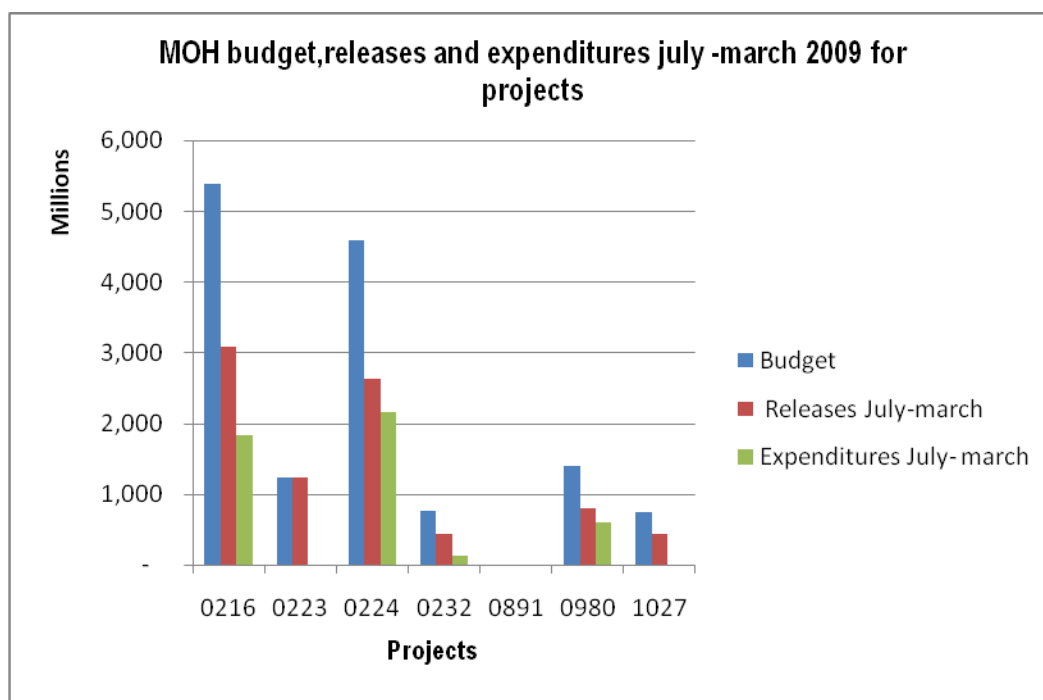
2.1.4: Ministry of Health

The total domestic development budget for the financial year 2008/2009 amounts to Ug shs 12.88 billion. The domestic arrears total shs 1.2 billion on the HSRPII project in Kamuli and Kisoro ditricks. The total release for the period under review July 08 March 2009 amount to shs 8.6 billion which is 67% of the budget (see dtails in Annex table 2.4).

The absorbtion rate of the funds for most of the projects was above 50% except for the rehabilitation of health facilities project which spent shs 126,655,500 out of the shs 436,595,216 released which is only 29%; and the Institutional support to Ministry project that received shs 428,940,267 but did not spend any money.

The graph 2.3below shows the annual approved budget, releases and the amount spent for the period July 08- March 2009.

Figure 2.3: MoH budget, releases, and expenditures, July 08-Mar 09



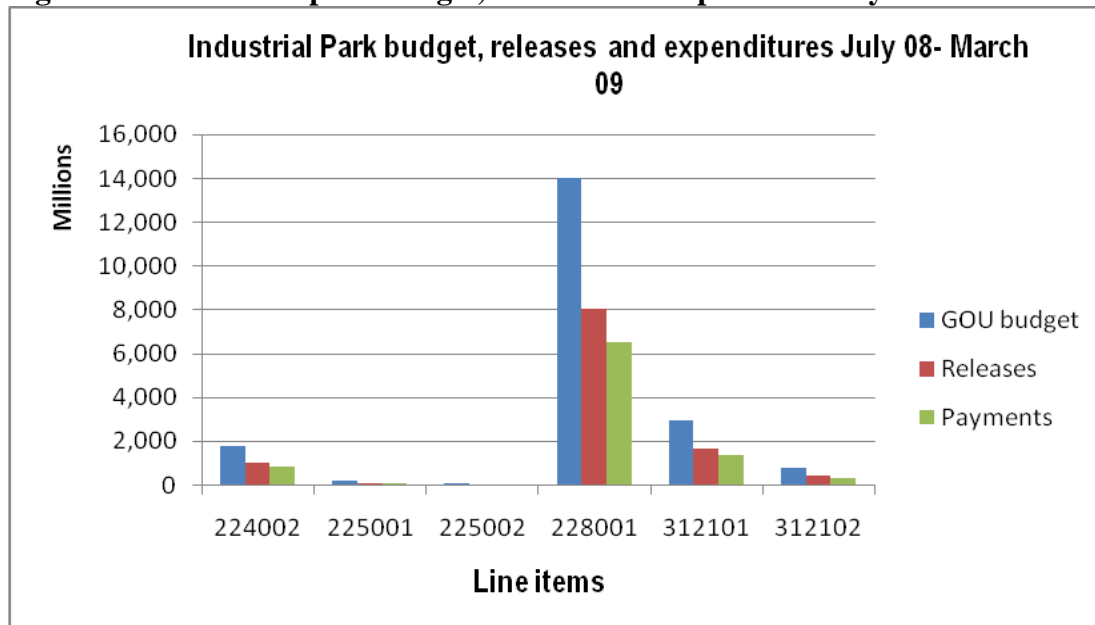
0216	Dist. Infrastructure Support Prg i	0891	Donor Support to the Health Sector
0223	HSRPII-Kamuli & Kisoro Districts	0980	Dev't. of Social Health Initiative
0224	Imaging & Theatre Equipment Proj. i	1027	Inst.Support to Ministry of Health
0232	Rehab Health Facilities Eastern Reg		

2.1.5 Development of Industrial Parks

The approved budget for the FY was shs 19.7 bn of which 11.3 bn (57%) was released. Of the total releases, 9.2 bn (81%) was paid out (See details in Annex Table 2.5).

Figure 2.4 gives details of expenditures within the project.

Figure 2.4: Industrial park budget, releases and expenditures by line items



224002 -General supply of goods and services.
 225001-Consultancy services short term.
 225002-Consultancy services long term.

228001-Maintainance civil
 312101-Non residential buildings
 312102-Residential buildings

2.1.6: Ministry of Works and Transport

The total domestic development budget for the financial year 2008/2009 amounts to Ug. Shs 62.17 billion while domestic arrears were shs 5.57 billion. A total of Shs 43.3 billion was released for the period July 08- March 09 representing a release of 70% the approved budget (See details in Annex table 2.6)

There was low absorption of funds noted in the following projects :

- Project 0966- completion of Late Gen Okello’s house received a total of shs 229,763,000= but spent nothing representing 0% expenditure.
- Project 1046- Kyapa kensero road spent nothing out of the shs 114,882,000 received.
- Project 0515- rehabilitation of Bugembe workshop spent only 1.5% of the release amounting to shs 1,809,000 of the shs 114,882,000 received.

- Project 03080-Road equipment for districts spent only 12.3 % of the money received. The funds spent were shs 84,954,804 of the shs 689,290,000 received.
- Project 1018-RRP support to MOWT spent only 10.6% of the money received totalling to ug.shs 2.7 billion

2.1.7 Ministry of Water and Environment

A total of Ug.shs 38 billion was allocated to the Ministry of Water and Environment for the financial year 2008/2009 under the domestic development budget while a total of shs 10.6 billion was the domestic arrears.

Of the total annual approved budget and the domestic arrears totaling to shs 48.8 billion a total of shs 38.1 billion was released for the period July 08- March 2009, giving 78 % of approved budget. A total of shs 30 billion of the total releases was expended representing 61.7% (See details in Annex Table 2.7).

The following projects spent less than 50% of the money received;

- Project 0160-South west towns and sanitation spent 28.5% of the funds received.
- Project 1015- Gulu water and sanitation project spent 48% of the funds received

2.2 Comparison of IFMS and sector financial records

The financial performance of the Ministry of Works and Transport, and Ministry of Health were analyzed, based on the performance reports submitted for the period July-December 2008. The analysis was done to compare the accuracy of the development budget releases and expenditures submitted in the performance report and the actual releases and payments posted on the IFMS system. The IFMS shows the actual money received and expended by the Ministries. The analysis looks at the development budget (GOU support) for the period July- Dec 2008. This was done in addition to the physical performance monitoring/ inspection carried out as per the details contained in the section on Works and transport, Health and Industrial parks in the main report to verify whether the implementation of the projects as contained in the performance report was done.

The objectives of this analysis were twofold:

1. To establish whether the releases and expenditures reported on the IFMS data is the amount reported in the performance/ progress report and if not, the reasons why.
2. To establish the accuracy of the data provided on the basis of which the Ministry release the funds.

During the in-depth review, in addition to detailed discussions with the relevant ministry's officials, the following documents and data were examined.

- Performance/ progress report for the period ending Dec 2008.
- IFMS data on the System.
- Draft estimates book

2.2.1 Ministry of Health

This section reports on the discrepancies between the progress/performance report of the Ministry of Health and the IFMS data for the period July- December 2008. It compares the actual IFMS releases and expenditures on the development budget and the Ministry of Health's quarter 2 performance report for the various projects / programs undertaken.

Detailed information see Annex Table 2.8.

The following findings give details of the variances for which an explanation is being sought from the MOH.

(i) **Project 980: Development of Social health initiatives.**

IFMS data indicates that MoFPED released a total of shs 665,831,284 to the sector for the period July- Dec 2008 for the above project. The progress report indicates a total of shs 321,725,000 as amount received for the first quarter however it does not show how much money was received for the second quarter. On the expenditure side, the IFMS data indicates that a total of shs 422,725,285 was spent for the period under review while the

performance report gives a higher expenditure figure of shs 433,858,486 giving a difference of shs11, 133,201.

The details of the IFMS receipts and expenditures (development budget) on project 0980 are indicated below:

Table 2.1: Development receipts and expenditures on Project 980

Vote	Account	Approved Budget	Revised budget	warrants	Releases	Payments	Available funds
014	211102	19,043,000	19,043,000	9,380,620	9,380,620	5,312,600	4,068,020
014	211103	149,000,000	149,000,000	71,623,000	71,623,000	67,549,900	4,073,100
014	221001	150,000,000	150,000,000	71,339,356	71,339,356	46,323,200	25,016,156
014	221002	260,740,000	260,740,000	124,087,843	124,087,843	119,558,133	517,710
014	221003	44,510,000	44,510,000	21,940,000	21,940,000	0	21,940,000
014	221011	156,675,000	156,675,000	75,509,000	75,509,000	15,337,500	60,171,500
014	224002	63,632,000	63,632,000	30,302,000	30,302,000	24,306,600	5,995,400
014	225002	348,600,000	348,600,000	161,575,465	161,575,465	72,593,000	73,982,464
014	227002	76,100,000	76,100,000	36,704,000	36,704,000	26,543,752	10,160,248
014	227004	78,000,000	78,000,000	37,171,000	37,171,000	27,223,200	9,947,800
014	228002	53,700,000	53,700,000	26,199,000	26,199,000	17,977,400	8,221,600
TOTALS		1,400,000,000	1,400,000,000	665,831,284	665,831,284	422,725,285	224,093,998

Source: IFMS

(ii) Project 0232: Rehabilitation of Health facilities Eastern region

IFMS data shows that a total of shs 104,128,000 was spent for the period July- Dec 2008 which tallies with the amount spent according to the progress report. A total of shs 361,490,216 was released by the MoFPED for the period under review. The progress report shows the release for the first quarter amounting to shs 174,669,000= but does not show the release for the second quarter.

The details of the IFMS receipts and expenditures on project 0232 are shown in table

Table 2.2: Receipts and expenditures on Project 0230

Vote	Account	Approved budget	Revised budget	warrants	Releases	Payments	Funds available
014	211103	50,000,000	50,000,000	28,859,644	28,859,644	20,822,000	8,037,644
014	224002	60,000,000	60,000,000	25,747,572	25,747,572	20,925,000	4,822,572
014	312101	650,079,000	650,079,000	306,883,000	306,883,000	62,381,000	244,502,000
		760,079,000	760,079,000	361,490,216	361,490,216	104,128,000	257,362,216

Source: IFMS

(iii) Project 0216: District infrastructure Support programme 1

A total of Shs 2,858,200,007 was released by the MoFPED of which a total of shs 1,707,090,837 was supposed to have been spent according to the IFMS data. The

performance report shows that a total of shs 1,710,382,591 was spent reflecting a variance of shs 3,291,754.

(iv) Project 0224: Imaging and theatre equipment.

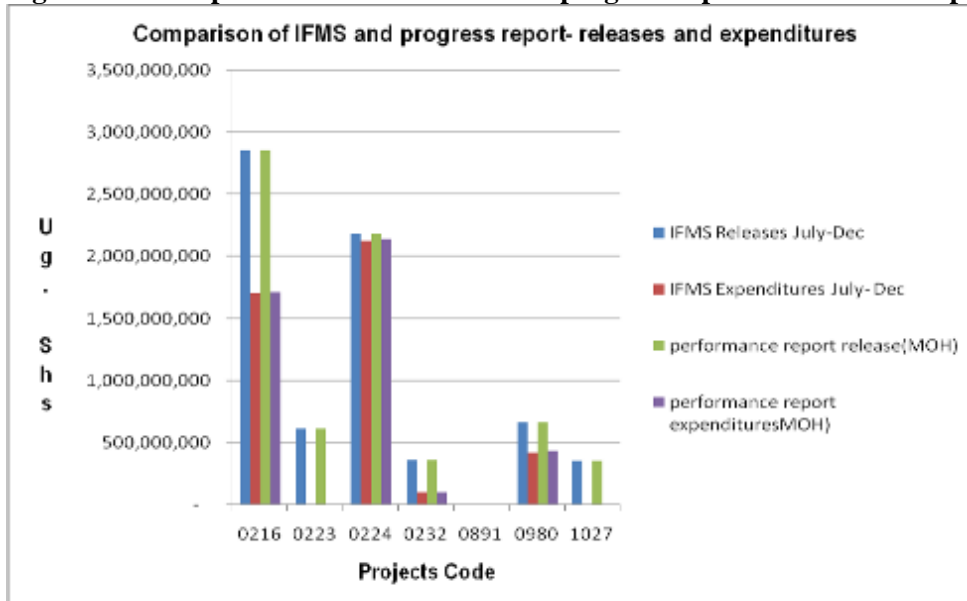
On the expenditure side, IFMS data indicates that shs 2,125,975,618 was spent while the progress report gives a higher expenditure figure of shs 2,138,075,226 giving a variance of 12,099,608 which means that the project spent more than what appears on the IFMS system.

Scrutiny of the progress report shows the following;

- The report does not indicate the cumulative amount released for the period July-December 2008. It only shows the amount released for the second quarter covering the months of October- Dec 2008.
- The progress report does not show the breakdown of releases and expenditures according to the activities carried out.

The following graph shows the comparison of the IFMS and the MOH reported releases and expenditures for the period July- Dec 2008.

Figure 2.5: Comparison of IFMS and MOH progress report releases and expends



Key

- 0216 District Infrastructure and Support Programme
- 0223 HSRPII-Kamuli & Kisoro districts
- 0224 Imaging & Theatre Equipment Project I
- 0232 Rehabilitation of Health Facilities Eastern Region
- 0891 Donor Support to the Health Sector
- 0980 Development of Social Health Initiative
- 1027 Institutional Support to Ministry of Health

2.2.2 Ministry of Works and Transport

This section reports on the discrepancies between the progress/performance report of the Ministry of Works and Transport and the IFMS data for the period July- December 2008. It compares the actual IFMS releases and expenditures on the development budget and the Ministry of works and transport quarter two performance report for the various projects / programs undertaken by the Ministry.

Overall, the performance/ progress report reported the same releases and expenditures as reflected on the IFMS data save for: project 0269- Construction of selected bridges; 0297- RDP transport master plan; 0951 E.A trade and transport facility; and 0996-Support Tourism infrastructure development which reported different amounts of expenditures as compared to the IFMS data.

(i) Project 0996 Support to Tourism Infrastructure:

Ministry of Finance released a total of shs 500,500,000 for the period July- Dec 2008 as reported on the IFMS system and the MOWT progress report. On the expenditure side, the IFMS data indicates that a total of shs 500,500,000 was spent for the period compared to shs 257,661,237 reflected in the progress report giving a difference of shs242,838,763=.

The detail of IFMS releases and expenditures are in table below:

Table 2.3: IFMS releases and expenditures for project 0996

Vote	Project	Account	Approved Budget	Revised Budget	Releases	Payments
16	996	224002-general supply of goods and supplies	333,333,333.00	333,333,333.00	171,183,000.00	171,183,000.00
16	996	225001Consultancy services short term	500,000,000.00	500,000,000.00	266,830,000.00	266,830,000.00
16	996	312103Roads and Bridges	167,666,667.00	167,666,667.00	62,487,000.00	62,487,000.00
		TOTALS	1,001,000,000.00	1,001,000,000.00	500,500,000.00	500,500,000.00

Source: IFMS

The table shows that a total of shs 171,183,000 was spent on general supply of goods and supplies, shs 266,830,000 on Consultancy services short term and shs 62,487,000 on roads and bridges all totaling to shs 500,500,000= as per IFMS system. However, the performance report indicates that shs 257,661,237 was used on roads and road conditions surveys and there is no mention in the report regarding the amount incurred on general supply of goods and consultancy services on short term.

According to the Ministry of Works and transport officials, the total of shs 500,500,000 was payment to contractors for making roads and bridges and the payment was spread on three line items of General supply of goods and services, consultancy services and roads

and bridges. This therefore means that there was re allocation of funds from non asset line item to cater for payments to contractors. It was further stated that the performance report figures submitted to MoFPED were not reconciled with the financial data in the accounts section.

(ii) Project 0951 E.A trade and transport facility.

According to the IFMS and the progress report of the MOWT, the releases for the period July – Dec 2008 amounted to shs 250,000,000. According to the IFMS data a total of shs 229,817,203 was spent while the performance report indicates that a total of shs 223,674,003 was spent giving a variance of shs 6,143,200=

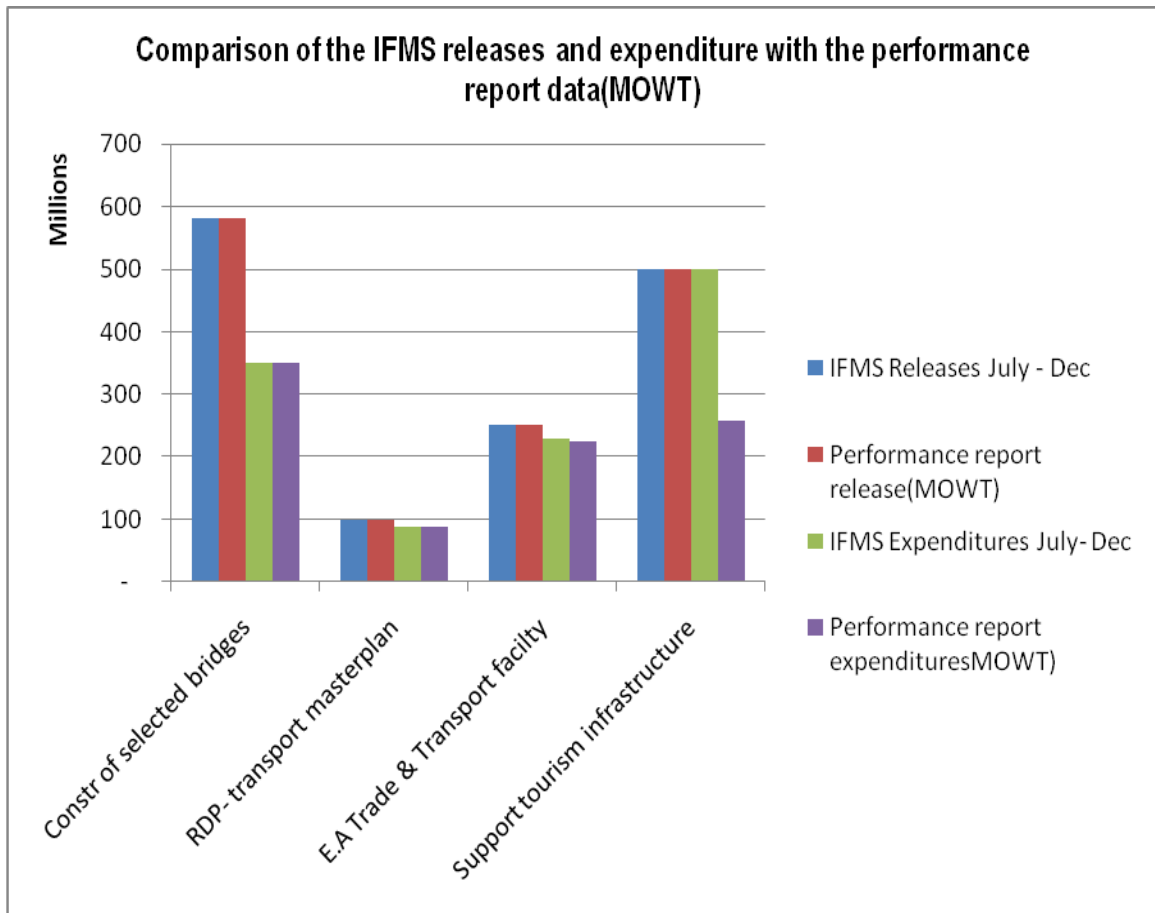
Table 2.4: Releases and payments to MOWT, July-Dec 2008

Vote	Project	Account	Approved Budget	Revised Budget	Releases	Payments
16	951	211103 allowances	200,000,000	200,000,000	92,842,000	93,421,000
16	951	224002 General supply of goods	300,000,000	300,000,000	157,158,000	136,396,203
		TOTALS	500,000,000	500,000,000	250,000,000	229,817,203

Source: IFMS

The following graph shows the comparison of the IFMS and the MOWT reported releases and expenditures for the period July- Dec 2008

Figure 2.6: Comparison of IFMS and MOWT reported releases and expenditures, July-Dec 2008.



2.3 Flow of domestic development funds in selected districts

Eight districts were visited mainly to track the domestic development funds released by the MoFPED to the Chief Administrative Officers (CAOs) and Chief Financial Officers (CFOs) to gauge whether the funds are promptly remitted to the Sectors of health, education, agriculture, Water and sanitation and Works. In addition the review was to ascertain the absorption of funds per sector mentioned above and analyse the overall fund absorption for the period July-Dec 2008.

The tracking entailed

- Physical visits to the districts. Reviewing of relevant official documents and records
- Interviewing of key personnel of the Local Governments

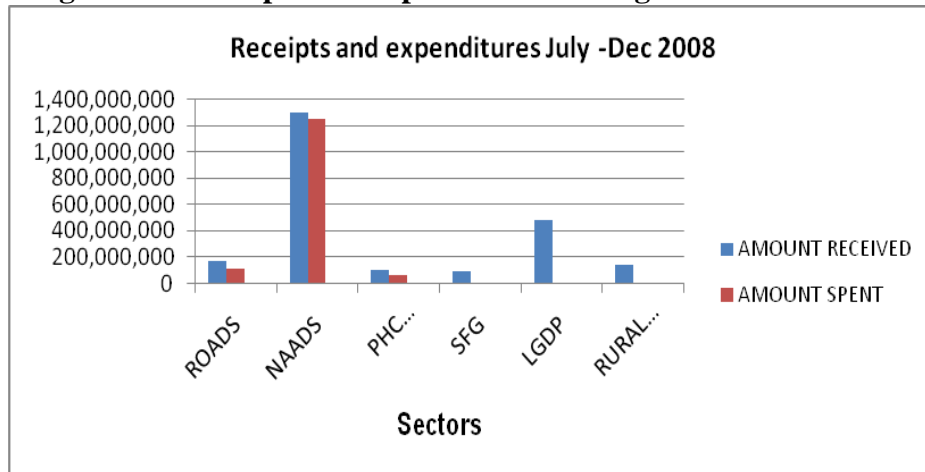
2.3.1 Kitgum district.

The district received the funds for Rural water and sanitation, school facilities grant (SFG), NAADs, primary health care (PHC) development and for the District Roads

which were timely remitted to the departments for the period July- Dec 2008. All the funds received by the District were confirmed to have been received by the sectors.

Below is a graph which shows the absorption capacity of funds received for the period July –Dec 2008

Figure 2.7: Receipts and expenditures in Kitgum district



It was established that a total of shs 90,538,000= was remitted to the District for SFG for the month of July – Dec 2008.

At the time of monitoring, the district had spent shs 7,128,028 being part of the balance brought forward from the previous FY. This represents low absorption of funds in the education sector (SFG component) and there is a high likely hood that even the balance brought forward from the last financial year totaling to shs 78,910,692 will not all be spent. All the funds remitted during this financial year totaling to shs 90,538,000 have not been spent at all and this reflects poorly on the spending capacity of the District.

The District officials also raised a concern that there are times when funds are credited on their collection account directly without details regarding the remittance. A total of shs 35,477,579= was credited on the District account without details regarding the details of remittance. As a result, the funds are still lying on the collection account and have not been transferred to the respective sectors as there are no details regarding the release from the treasury.

2.3.2. Gulu district

The district received the funds for rural water and sanitation, SFG, NAADs, PHC development which were timely remitted to the departments for the period July- Dec 2008. All the funds received by the District were remitted to the sectors.

There was low absorption of funds in the health sector as it had not spent any of the funds remitted for the period July- Dec 2008² due to delayed procurement process according to the District Health Officer.

Another sector which has experienced low absorption of funds is Education in regard to the SFG funds. A total of shs 120,062,000 was received by the district for the month of July- Dec 2008 while the balance brought forward as at the start of the financial year was shs 9,533,522=. The District had planned to construct two classroom blocks in four schools and supply furniture in 8 schools but little has been achieved since the District is still in the process of securing contractors. As a result, the education department had not spent any of the funds received.

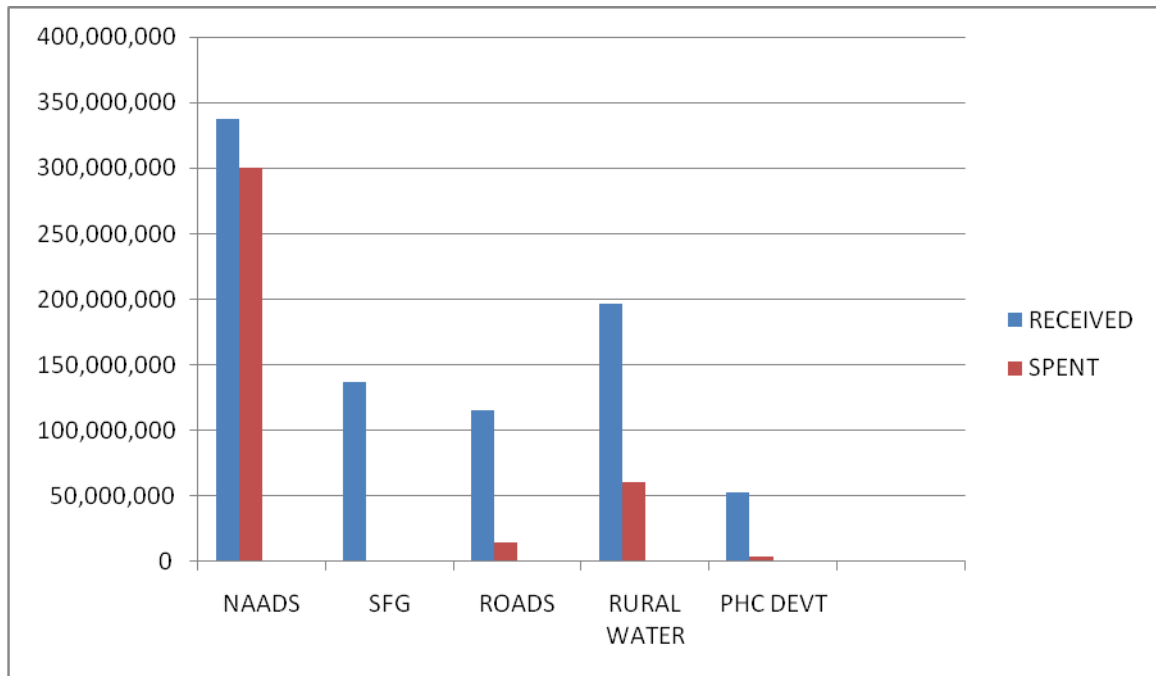
Table 2.5: Receipts and expenditures in Gulu district, July-Dec 2008

Activity	Amount received Incl. B/F as at 01/07/08	Amount spent	Balance
SFG	137,086,014	17,750	137,068,264
RURAL WATER	196,350,000	60,333,907	136,016,092
ROADS	115,350,000	15,062,900	101,093,968
PHC DEVELOPMENT	53,262,766	3,618,322	49,644,444
NAADS	337,865,532	300,206,250	37,659,282

Source: Gulu District

Figure 2.8: Gulu District Absorptive Capacity

² Total funds received amounted to shs 46,539,000



The graph above shows that Gulu district has not spent most of the funds received notably SFG, works and PHC development and this has all been blamed on delays in the procurement process.

At this level of expenditure, there is a high likely hood of the District failing to absorb all the funds by the end of the financial year. On the other hand, the District may end up rushing to spend the money thereby doing shoddy work.

2.3.3 Oyam district.

The District received the funds for rural water and sanitation, SFG, NAADs, PHC development and timely remitted the funds to the departments for the period July- Dec 2008. All the funds received by the District were remitted to the departments.

However, it was noted that the District had balances brought forward on all the departmental accounts for the development budget as at 1st July 2008 contrary to the financial regulations which requires that unspent balances as at close of June should be remitted to the treasury.

The funds were timely remitted to the departments that had adequately utilised the funds save for the SFG. Slow absorption of the SFG funds was attributed to slackness in the procurement process.

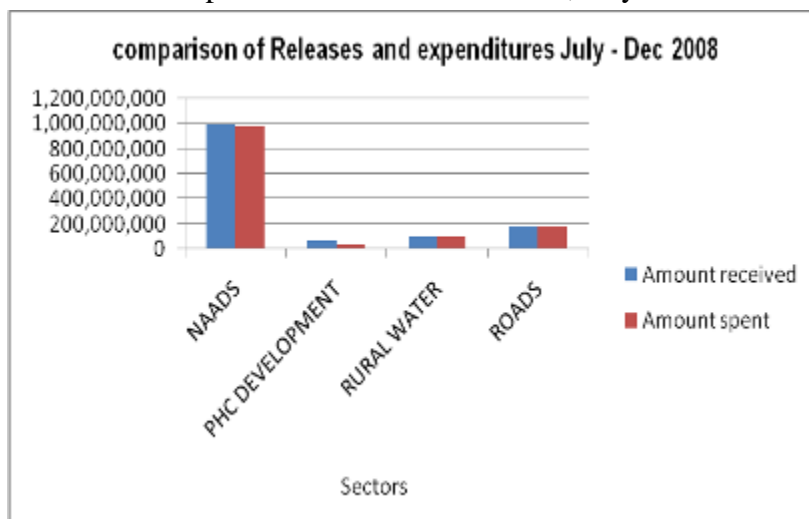
2.3.4 Kabale district

The district received the funds for rural water and sanitation, SFG, NAADs, PHC development and remitted the funds timely to the departments for the period July- Dec 2008. All the funds received by the District were remitted to the departments.

Generally, the departments were able to spend a substantial amount of the funds they received save for PHC development. The health sector received a total of shs 65,155,000 for the months of July- Dec 2008, but by Dec 2008 they had not spent any money on PHC Development. They were still in the process of advertising for construction of OPD at Kiyebe H/C II, OPD at Kahama H/C II and staff house at Shebeya H/C II.

The graph below shows the absorption of the development funds.

Figure 2.9: Releases and expenditures in Kabale district, July-Dec 200



2.3.5 Ntungamo District

The funds received for the PAF sectors were promptly remitted to the departments; however the following sectors had not absorbed the funds.

(a) Health Sector

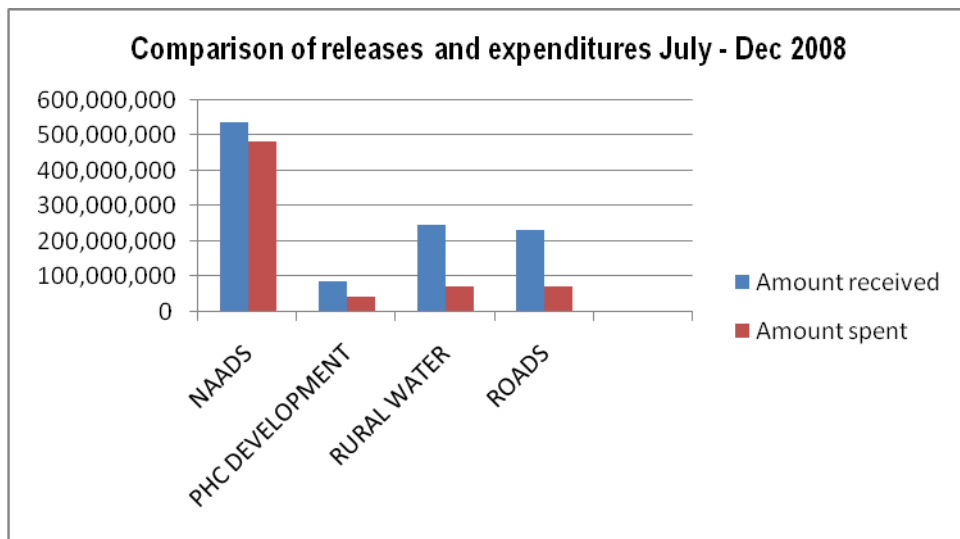
The sector received a total of shs 51,193,000 for the period July – Dec 2008 while the balance brought forward at the start of the financial year was 72,300,965 all totaling to shs 123,493,465. The District had only spent a total shs35, 842,809 as part of the balance brought forward implying that there has been no expenditure on the funds received for the period ending Dec 2008. It was noted that the funds received are still on the account simply because the District has not secured the bills of quantities for the projects they intend to undertake. The monitoring team established that the District hired a private consultant to prepare the BOQs since the District lacks an Engineer. He had completed the works and presented a bill of shs 600,000 which had not yet been approved by the District Health Officer. This had greatly hampered the progress of the projects under the sector. Overall no activities have commenced in the sector. Besides, the balance brought forward as at 01/07/2008 of shs 72,300,965 was also not fully utilised.

The sector has moved at a slow pace and there is all indication that the sector may not absorb all the funds by the end of the financial year.

2.3.6 Rukungiri district

The funds remitted to the district by the MoFPED for PAF were promptly remitted to the departments by the CFOs office. However, it was established that apart from the NAADs, most of the sectors did not absorb most of the funds sent to them for the month of July – Dec 2008 as shown in the graph below.

Figure 2.10: Releases and expenditures in Rukungiri district, July-Dec 2008

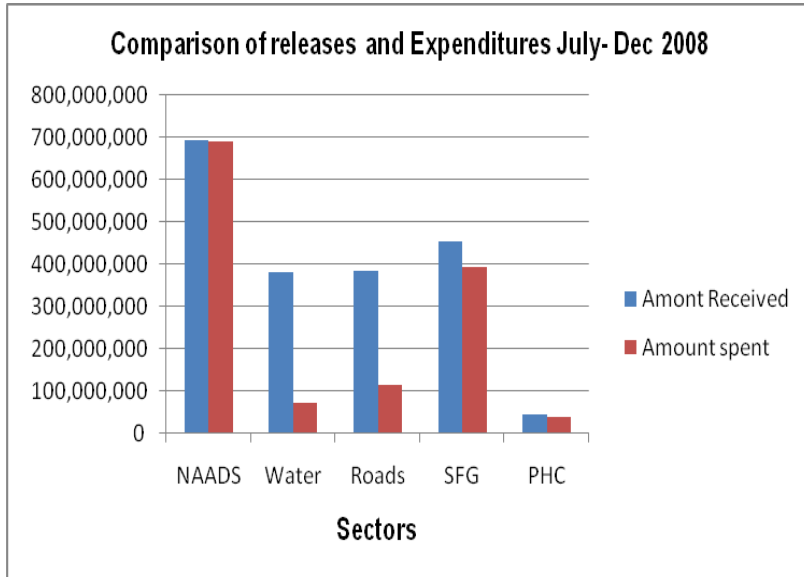


The delayed disbursements were due to slow procurement processes.

2.3.7. Isingiro district

The funds received for the PAF sectors were promptly remitted to the departments. The sdepartments of Roads, SFG and PHC development had absorbed most of the funds by the time of the monitoring as shown in the graph below.

Figure 2.11: Releases and expenditures in Isingiro district, July-Dec 2008



However the departments of roads and water had a low absorption of funds. For the period July – Dec 2008, the roads sector had received a total of shs 386,083,869 and spent only shs 115,665,413 which stands at 29% while water received a total of shs 383,125,261 and spent 72,169,512 representing 18 %. These sectors attributed poor performance to the the delayed procurement process.

2.3.8 Ibanda District

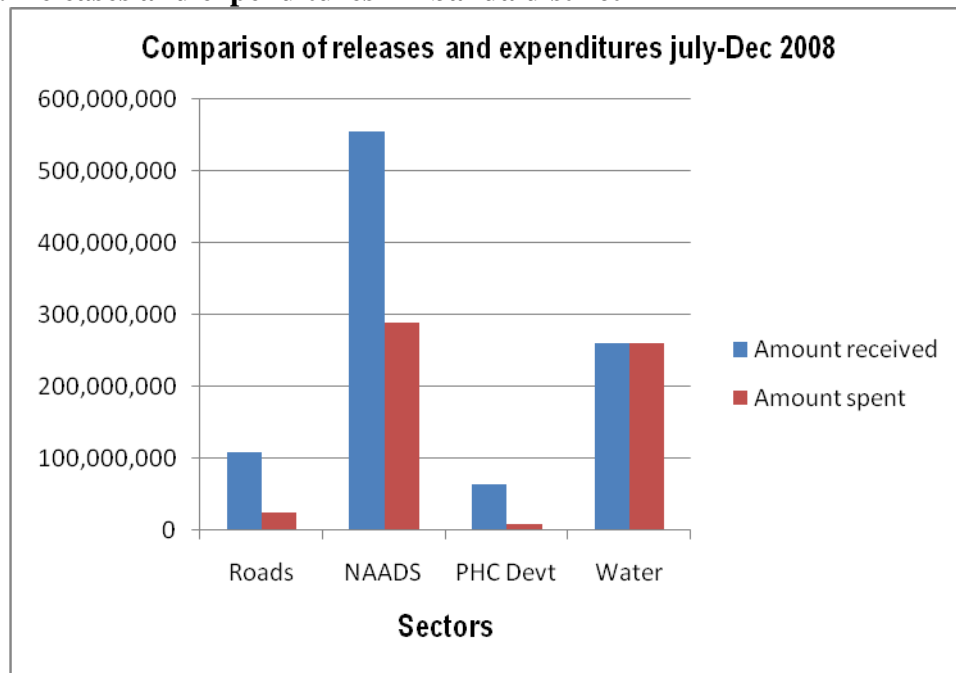
Ministry of Finance disbursed the funds for the period ending December 2008 as follows;

Table 2.6: Receipts and expenditures in Ibanda district, July-Dec 2008

Sector	Amount received	Amount spent
Roads	108,053,746=	24,858,020=
NAADS	554,840,000=	289,287,838=
PHC Dev't	65,155,000=	9,313,005=
Water	260,007,960=	260,005,585=

The funds received were promptly remitted to the departments and the graph below shows the expenditure patterns of the funds.

Figure 2.12: Releases and expenditures in Ibanda district



Apart from water the other departments had low absorption of funds; the PHC development as at Dec 2008 had spent 13.8%, NAADS 52%; while roads had spent 23% of the amount received.

The health sector attributed the low absorption of funds to delayed procurement process. It was stated that the District had earmarked to construct a medical store and had just awarded a contract but funds were not yet paid out.

According to the NAADs coordinator, the balance includes shs 124,000,000 meant for four new sub counties which had been earmarked to start operations in the financial year 2008/2009 but did not take off. The four new sub-counties include; Kashungura, Kichangara, Kijongo and Nsasi. It was established that the District had obtained authority from the Executive Director to remit the funds to the mother sub counties.

2.4 Conclusions and Recommendations

2.4.1 Conclusions

- There were discrepancies between IFMS records and a number of projects in the health, works, and industrialization sectors. There was evidence of reallocation of funds within sector budget lines that was not reflected by the IFMS.

- It was further observed that the performance report figures submitted to MoFPED by some sectors were not reconciled with the financial data in their accounts section and this resulted in the misreporting on some projects.
- The monitoring done at the districts generally revealed that there was prompt remittance of funds by the CAOs/CFOs to the departments under review. There were no cases of less remittance to the departments.
- There were districts with good absorption capacity. However, in majority of reviewed districts 60%, there was low absorption of funds by the departments which was mainly attributed to the lengthy procurement process. In some districts funds were received from MoFPED without details of intended use. It is most probable that the districts with low absorption capacity will not fully use funds for the FY.

2.4.2 Recommendations

- Further analytical work should be carried out to identify the causes of the discrepancies between the IFMS data and the information contained in the performance report submitted. This may require a comprehensive audit or investigation as deemed fit.
- For the case of district, there is need for early procurement planning to avoid delays arising from lengthy procurement procedures. This will ensure that contracts are awarded in time to commence on execution of activities.
- MoFPED should endeavour to send details of approved use of funds whenever disbursements are made to the districts.

Chapter 3: Physical Performance

3.1 Agriculture

3.1.1 Introduction

During this quarter, monitoring efforts largely focused on the Fisheries Development Project that is being implemented countrywide and to a lesser extent, review of progress in the Vegetable Oil Development Project (VODP) which was monitored in the first quarter of this FY.

(a) Fisheries Development Project

The Fisheries Development Project aims at increasing incomes from fishing through availability of higher quality fish products and through strengthening aquaculture research and development. The project implemented by Ministry of agriculture, animal industry and fisheries (MAAIF) and co-financed by the African Development Fund (ADF) and GoU covers the Western, Central and Eastern regions around Lakes Victoria, Kyoga, Albert, Edward and George. Total loan cost is UA 22 million (approximately \$33million) and contributions are expected from GoU (UA3.365m) and beneficiaries (UA0.178m). Overall project coordination is by a Project Coordination Unit in the Department of Fisheries Resources while local governments at district and sub-county level carry out actual implementation of project components.

Among the key expected project outputs under the 4 substantive components are³:

1. **Infrastructure development and quality assurance**
 - Development of 30 fish landing centres (FLCs)
 - Procurement of 5 ice plants and chill storage
 - Construction of 21 fish market stalls
 - Construction of quality control laboratory at Entebbe
 - Procurement and deployment of 4 patrol boats
 - Rehabilitation of fish ponds

2. **Aquaculture Research and Development**
 - Support to aquaculture research
 - Establishment of 4 regional fish fry centers - Kajjansi, Mbale, Gulu, and Bushenyi
 - Support 600 fish farmers through provision of inputs and improved breeds

³ GoU/ADF, 2001.

3. Capacity Building

- Training of staff at different levels and the various stake holders
- Rehabilitation of Bugonga Fisheries Training Institute including putting up a girls' hostel
- Establishment of community based management system

4. Fisheries Credit fund

- Microfinance Support Centre Ltd (MSCL) to engage other Micro-finance institutions (MFIs) for onward lending to fish farmers and processors

Project implementation commenced in 2003. The five year project that was expected to end in 2008 has not completed its deliverables by then and hence is currently running under an extension of 2 more years up to 2010. During this quarter, the monitoring work focused on a sample of the fish landing sites and fish market stalls, fish ponds, patrol boats and Katwe fish market. Consultations were held with the District Leadership (CAOs, RDCs, Mayors), District Fisheries Officers (DFOs), District Engineers, Area Chairpersons of Fish Markets and the beneficiaries (fishmongers, fish traders). Focus Group Discussions (FGD) were held with the beneficiaries to get their views on the quality of workmanship and the potential usefulness of the markets.

(b) Vegetable Oil Development Project

The Vegetable Oil Development Project (VODP), a GOU-IFAD-Private Sector financed intervention that commenced in 2003, aims at expanding production of oil bearing crops with emphasis on the participation of small holders and private sector processors. The VODP has three main project components: 1) Oil Palm Development 2) Traditional Oil Seed Crops Enhancement and 3) Essential Oils Crop Plants Development. The monitoring work in this quarter reviewed progress in implementation of the Oil Palm Development Component since the last monitoring visit in September 2008.

The GoU-BIDCO agreement of 2003 foresees the development of 40,000ha of oil palm, with 26,500 ha and 13,500 ha being developed by BIDCO Oil Refineries Ltd and GoU (for smallholders) respectively. On Bugala Island in Kalangala district, 10,000ha of oil palm was to be developed; 6,500ha on a nucleus plantation and 3,500ha planted by outgrowers and smallholders, the latter being organized by the Kalangala Oil Palm Growers' Trust (KOPGT).

The Oil Palm Component during Q1 - Q3 of FY 2008/09 had the following main planned activities:

- i. Procurement of 8 motorcycles for KOPGT staff
- ii. Construction of an office block for KOPGT Secretariat
- iii. Procurement of furniture for KOPGT Office
- iv. Construction of a store for KOPGT materials
- v. Construction of a community centre
- vi. Procurement of a low loader

- vii. Land clearing for smallholder and outgrower schemes
- viii. Field maintenance and provision of fertilizer to smallholder and outgrower schemes
- ix. Construction and maintenance of link road network
- x. Acquiring land for the nucleus estate while surveying and titling other land

3.1.2 Financial Performance

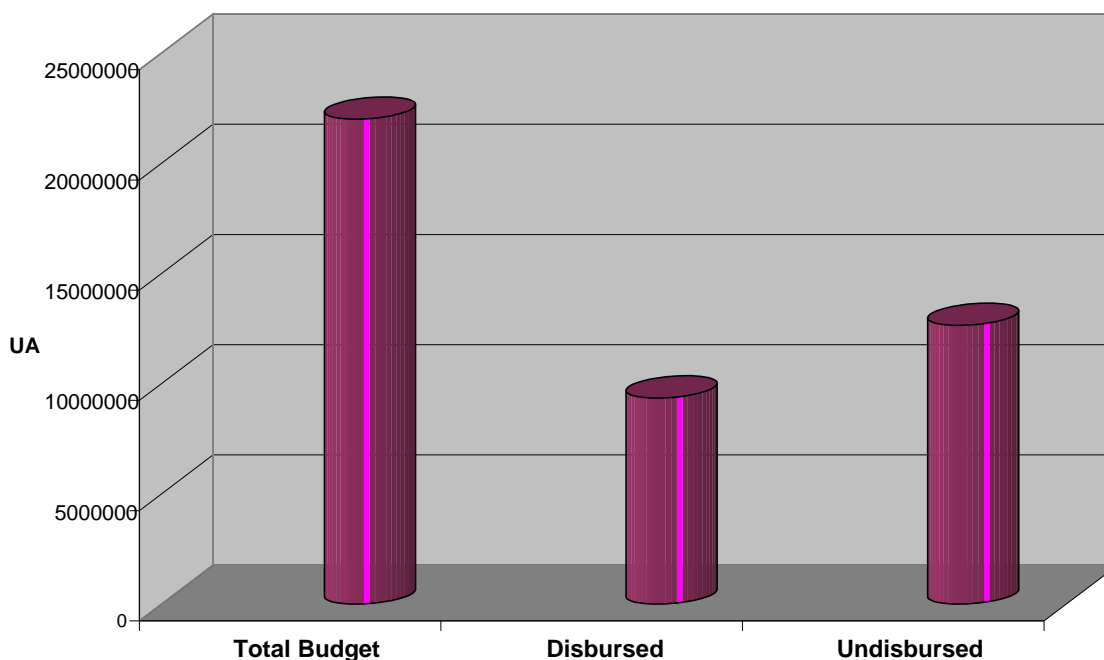
(a) Fisheries Development Project

At the start in 2002, UA 21,974,000 was earmarked to the Fisheries Development Project with the bulk of resources allocated to infrastructure – landing sites, fish markets and other infrastructures (Annex 3.1). The unallocated UA 1.35m was meant for the credit component that has not taken off to date. The project was evaluated and the budget expenditure categories revised in April 2008.

It was reported by the Project Coordination Unit that delays in project implementation had led to increases in the unit cost of construction of the various infrastructures over the years. As a consequence, the available resources were no longer sufficient and hence it was agreed by GoU and ADB at the midterm review that only 12 of the 30 markets are constructed in the total project period. It was for the same reason that the unallocated funds meant for credit were reallocated to the infrastructures component.

By December 2008, when the project was expected to end, only UA 9,350,942.15 or about 43% of the total budget had been spent, suggesting a low absorption capacity. An additional UA 8,467,347.24 or 38% were committed funds yet to be spent (Fig 3.1).

Fig 3.1: Fisheries Development Project Budget and Expenditures (UA) by Dec 2008



Source: Fisheries Development Project Coordination Unit

Funds are centrally disbursed from the project headquarters to the various districts. Each district that has been involved in the project has a district fisheries officer. However, these officers are sometimes limited in the work movements especially when their funds are sent late. Upon discussing with the project coordinator the option of disbursing funds through the fisheries officers, it was noted that this would enhance their participation in the project but a more streamlined accountability system has to be instituted.

(b) Vegetable Oil Development Project

Table 3.1 shows the financial performance of the key expected outputs under the oil palm project for the period July – December 2008.

Table 3.1: Budget and Actual Expenditures for Oil Palm Component July – December 2008

Output indicator	Budget (Ushs)	Actual Expenditure (Ushs)
8 motorcycles procured	73,600,000	58,976,275
KOPGT Office block constructed	200,000,000	69,401,824
KOPGT offices furnished	102,000,000	Nil
Store constructed	80,000,000	Nil
Low loader procured	432,750,000	Nil
Community centre constructed	100,000,000	Nil
290 acres of land cleared, 16,820 seedlings	241,732,000	168,000,000

500 ha of land acquired for nucleus estate	617,500,000	Nil
400ha of land surveyed and titled	39,000,000	37,139,000

Source: VODP Coordination Secretariat

Clearly during the period July-Dec 2008, the project had very low absorptive capacity.

Physical performance

3.1.3 Fish markets

Background

The project includes upgrading/establishment of model fish markets in 10 rural towns and 10 urban towns (Annex 3.2) plus one additional market in Kampala. Upgrading of existing markets involves provision of pavements, re-roofing, improving sanitary facilities and providing portable water. The Kampala market was expected to include an ice plant with a production capacity of 5metric tonnes (mt) per day and cold store with a storage capacity of 5mt.

The Project Coordination Unit (PCU) reported that 20 of the 21 markets have been designed and are nearing completion of construction. One market in Kalangala has not been built yet. It was reported that construction of most markets was at about 90% completion, although there were still areas requiring improvement especially in the Nebbi, Jinja and Soroti markets. Annex 3.3 provides the list of markets that have been constructed countrywide under the Fisheries Development Project. The markets have been built with the aim of:

- Improving hygienic conditions for the fish mongers to operate in a clean environment.
- Ensuring high standards of fish quality to avoid sale of stale fish.
- Increasing the income levels of the traders.

Field observations

Five out of the 20 markets under construction were sampled for field inspection and monitoring – Jinja Fish Market, Gulu Fish market, Luwero Fish Market, Kampala Fish Market and Mukono Fish Market. All the sampled markets were being established following a standard design that was provided by MAAIF. The only difference was in the number of stalls in the structures and the choice of installation of key facilities such as the cold room. The markets were at varying stages of completion, in some cases with implementation problems that were often referred to by Fisheries Officers as items on the ‘snag list’ to be addressed before commissioning. Below is a brief on the implementation status of each of these markets and the beneficiary perceptions.

i. Kame Valley Fish Market – Mukono District

Implementation status

Preparations for market construction started in 2003 when land was secured by Mukono Town Council and planning started. The market design that was drawn up by Kamulegeya and Associates met approval in 2007 and there after, construction started. At the time of the monitoring visit, the market structure was in place including 20 stalls with lockers, fish cleaning room, dry fish store, 3 offices, a room meant for cold storage and a freezer room but both not equipped.

The market is not yet in use because the town council is yet to connect water and electricity to it. It was reported that piped water had been applied for and the market was expected to start operating by July 2009.

Challenges

a) The freezer was missing and the DFO indicated that this was to be provided by Mukono Town Council as project funds had run out. Consultations with Mukono Town Clerk indicated that the council was neither aware that they were to provide such a facility nor have the needed funds. The Clerk indicated that their expectation was the installation of a cold room and not a freezer because it was documented that a 5 metric ton cold storage room was to be provided. Instead a room that was not equipped had been provided without further explanation.

b) The issue of a latrine and dumping site were still pending. The market was constructed in a wetland and according to the environment impact assessment (EIA) by NEMA, putting up a latrine was not feasible. It was recommended that the fish vendors would have to use the existing latrine which is quite a distance away. Documentation indicated that the town council is obligated to provide a latrine.

In addition, there was no proper dumping site/skip for the refuse. It was planned that the vendors would use small containers that can be taken away.

c) The front parking yard was not yet graded

d) The one sink provided in the design for washing fish was noted to be insufficient for serving vendors occupying 20 stalls, especially if all are fresh fish vendors. The district and council plan that the stalls are shared implying 40 fish mongers in the market all served by one sink. This is likely to create hygiene problems.

e) Other challenges in Box 3.1 below as enumerated by the fish vendors.

Box 3.1: Beneficiaries' perceptions on Kame Valley Fish Market in Mukono

The fish vendors who participated in the discussion, numbering 17 and mostly women expressed displeasure at the idea of entering the new market saying "The market is too small and badly designed for fish selling. We are over 40 fulltime fishmongers in the market and there are many other traders that operate in the market during the day yet only 20 stalls are provided. The market is closed and hidden behind other structures hence our sales will go down as it will be difficult for buyers to locate us. Fish is a highly perishable product and we do not see the fridges that were promised

hence it will quickly go stale. We cannot afford to work under such conditions with no profits as we are using money borrowed at high interest rates.

Currently, electricity in the market is switched on at 6pm everyday; this therefore implies that the market would require a separate electricity line that runs all day long lest the fish in the freezer go stale. We suggest that a generator be procured as backup whenever there are power cuts to preserve the fish. Since the infrastructure is too small, we propose that those with fresh fish use the new market while dry fish vendors operate from the existing stalls outside. Alternatively, the market can be used by fish wholesalers for transacting business as currently they operate on open floors that are not hygienic.

In future, we the intended beneficiaries should be consulted especially regarding location and design of the project so that our interests are taken on board”.

Focus Group Discussion with Kame Valley Fish Vendors

The District and Town Council leaders agreed with all the observations made in the focus group discussion and requested that GoU should source for other funds to enable them construct another market so that they can separate the vendors dealing in dry and fresh fish.

ii. Bakuli Fish Market – Kampala District

Background

This project was given to Kampala City Council (KCC) for implementation. The initial plan was to construct this market in Katwe. Since KCC doesn't have land, it approached Buganda Land Board (BLB) for land in Katwe which was agreed upon. But delays in disbursements led BLB to withdraw their offer of land in Katwe and instead gave other options of setting up the market in either Mengo, Bakuli or Rubaga. Bakuli was chosen. A Memorandum of Understanding (MoU) was drawn with the Buganda Royal Treasury indicating that once completed, the market would be handed over to Buganda Kingdom and managed by Buganda Royal Treasury.

Initially, the market in Katwe was planned to be a big one but the land secured in Bakuli was small and did not permit this. Therefore it was agreed to build a market with 44 stalls, an ice plant with a production capacity of 5 metric tons per day and a chill room with a storage capacity of 5 metric tons. Currently, the market accommodates about 90 fishmongers though most of them are in the market in the morning then leave by late afternoon when their merchandise is sold out.

Implementation status

The DFO reported that the project cost was 179,104,512/=. Construction started immediately after the signing of the MoU on 5th Dec 2007. Although construction was scheduled to be completed within 2-3 months, implementation was sluggish and the market was temporarily handed over to the local authorities of Kampala city council on the 20th of August 2008. It's not yet operational due to lack of water within the market building. At the time of monitoring, the following were in place:

- 44 fish stalls

- 2 fish cleaning rooms
- 1 dry fish store
- 1 room for ice plant and freezer (not equipped)
- 1 office
- 2 cloak rooms (male and female)
- Cleaners store

The ice plant and freezer had not been installed although there were indications that this gap would be addressed within the coming 3 weeks by the contractor. Both water and electricity had not been connected. The retaining wall which is crucial for reducing on flooding and keeping hygiene was not yet constructed.

Beneficiaries' perceptions

The Chairman of the fish vendors together with the fish traders expressed great appreciation to the Government of Uganda for having provided such a good facility which would ensure improved hygiene in fish handling. They had even used Buganda Kingdom funds to pave and tarmac the parking yards for the fish market, constructed a new toilet facility and built shops that were already operational. When the building was temporarily handed over to KCC in August 2008, KCC argued the vendors to start using the market since the missing facilities would be installed overtime.

The beneficiaries have since refused using the market waiting for all the facilities, especially water and electricity to be installed. On behalf of the fish vendors, the Chairman of Vendors Bakuli market had this to say: *“When the MoU was signed with KCC, it was agreed that among the facilities to be provided were power, water, ice plant, freezer and retaining wall. These facilities have not been provided and KCC wants to force us to start using the market which we have refused. You (KCC) cannot sign and agree to give me a black shirt and you instead bring me a red shirt wrapped in a box and you expect me to agree. If these facilities are not to be provided, then we should review the MoU and only sign for what is to be provided. You must provide what we agreed upon, otherwise we reject the market. We also have concerns in Buganda Land Board as we suspect KCC of wanting to take over the management of this market which we shall not agree to. The market has not been officially handed over as agreed in the MoU”*.

Challenge

The spaces between the stalls were noted by the beneficiaries to be too narrow thus likely to limit movement.

iii. Jinja Fish Market

Implementation status

Construction of Jinja Fish market that started around December 2007 had several people displaced with the contractors promising that the building would be complete in about 3 months. Up to date, construction has never been completed although the main structure is

in place containing 20 stalls. It was not possible to enter the building as access was impossible with the verandahs still undone and the contractor had locked up the place and only came once in a while.

Discussions with the fish market vendors indicated that the following were still missing from the facility:

- The construction debris has not been cleared yet.
- Water and electricity have not been connected yet.
- The cold room and freezer fittings are still pending.
- The drainage and splash apron (veranda) are still undone.
- Access road – more market vendors still have to be displaced for the road/parking yard to be graded

Beneficiaries' perceptions

The fishmongers were disappointed by the slow progress in building and equipping the market. They noted that the building has started becoming old before use and hence they are agitating to enter the market. The fresh fish mongers in particular are very keen to enter the new market because maintaining hygiene in the old dirty market is very costly as they each spend about Shs.3000 per day on water.

The old market currently accommodates about 30 fresh fish vendors and 35-40 dry fish mongers. The market vendors expressed appreciation for the new market but want to retain the old one too. The market leaders requested for GoU to solicit for more funds to further expand the fish market so as to accommodate more vendors. They insisted that more land could be secured by Jinja Town Council for that purpose.

iv. Gulu Fish Market

Implementation status

Construction of Gulu fish market, which is located in Gulu Town Council started in October 2007 and was expected to have been completed in 6 months. Up to now, construction has not been completed and the site seemed abandoned, as was confirmed by the fish vendors. It was reported by the fish vendors that the contractor Rujab General Enterprises Ltd was last seen in November 2008.

The main structure of the market had been completed – with 2 stores, 20 stalls, office, clock room and cold room (not equipped) - although there are still many gaps and areas that require improvement. Casting on the stalls has not yet been done in some places. The wood used for doors was of poor quality such that some have already cracked. The drainage system and water supply system are yet to be installed. Overall, the workmanship was not satisfactory. Presently, the market vendors use the fish market to dry and store their other produce such as maize, beans and vegetables.

Beneficiaries' perceptions

The opinions of the fish mongers and traders in Gulu town council regarding the newly built fish market are summarized in Box 3.2 below.

Box 3. 2: Beneficiaries' perceptions on Gulu Fish Market

A group of fish mongers led by their Chairperson Mrs. Santa Obwoya had the following to say about the fish market "We are extremely grateful to Government for having built this fish market for us. As we were requested by the district officials, we shifted the fish mongers and created sufficient space for the new market. Unfortunately the structure that has been built has used only a small space of what we provided and is too small. This building can only house about 20 fish mongers yet in total we have 240 fish mongers selling dry fish and 38 fish mongers selling fresh fish in this market. We now have a problem of determining who should come to work from the new market. If we try to squeeze in many fish mongers, we risk catching cholera due to the small space.

We do not know why we were never consulted when this market was being designed. We are not happy with the closed nature of this structure which looks like a residential house. This type of building is only appropriate for fresh fish especially if the cold room is installed. Dry fish requires sun on a daily basis if it is not to go bad and hence we need open stalls. The bulkiness of dry fish requires much larger space and yet the corridors and lockers in this building are too small. There is even no entry point for vehicles. It will be very expensive for us to transfer fish from the roadside several metres away to the weighing scales and then to the building. We request Government to consider upgrading the outside stalls in the space that we provided so that we are able to accommodate more fish mongers. In future, we should be consulted on the design of the market structures so that appropriate ones are built".

FGD of Fishmongers in Gulu Market

v. Luwero Fish Market

Implementation status

The fish market was constructed with 20 stalls and all the other rooms as in the other markets and was considered ready for handover by the contractor. At the time of the monitoring visit, there was no work in progress. A team from MAAIF visited the market in early 2008 and found that the construction was not satisfactory; and the ministry directed the contractor to put right certain items that did not meet their satisfaction. The contractor undertook a few repairs in June 2008 that still did not measure up to MAAIF's expectations and has since abandoned the site.

The Assistant CAO for Luwero District had this to say about the market "*MAAIF requested the district to put in place a committee to which the market would be handled over. We organized the committee and the day for handover but when MAAIF came, they said that the construction was not satisfactory and hence there was no handover. This is now a white elephant as it is an idle facility*".

Field observations indicated the pending issues for the market to be satisfactorily completed to include:

- Connecting water
- Redoing the drainage and widening it as there is flooding whenever it rains
- Work surfaces to be finished with terrazzo
- Electricity meter box which was already broken to be replaced with a more durable one
- Door labels to be put

- Installing fittings like freezer
- Floor to be tiled - has been cemented twice but still not satisfactory
- Poor quality doors had been put inside and when MAAIF visited, contractor was asked to remove them but the replacements are already cracked
- To alter the main doors so that they can increase ventilation.
- Repairing the cracking outside verandahs

Beneficiaries' perceptions

The fish mongers/vendors appreciated Government's efforts to create a more hygienic environment for fish handling. Their complaint, like in other districts, was about the inappropriate design and size of the fish market. They noted that the market structure was built like a residential house so it may be hard for customers to recognize it as a fish market especially as the windows are at a high level. More windows would have made the market better ventilated. It would also have been more preferable for the market to be an open rather than a closed structure, they said. Further still, it is too small and may not accommodate all the fishmongers. Luwero receives a huge amount of fish and has about 60 mongers yet the stalls are only 20.

vi. Other issues

In all the sampled districts, the district officials including the CAOs, RDCs, District Engineers and District Fisheries Officers expressed appreciation to Government of Uganda and ADB for having made available the new fish markets. However, they all unanimously expressed dissatisfaction with the over-centralized nature of the project and lack of involvement in the design and supervisory processes as shown in Box 3.3.

Box 3.3: Voices of district leaders on the fish markets

The district leaders⁴ in the five sampled districts made the following statements during the monitoring visits:

"Although we appreciate this intervention as timely, we are extremely dissatisfied with the way MAAIF imposes projects on the districts without adequate prior consultations regarding the type of projects that we want. All the planning and procurement of contractors and consultants was done at the centre; our role as district officials was only to identify the site for the fish market, mobilize the market vendors in positions of leadership to aid the smooth flow of the project and then wait to have the finished market handed over to them. We did not have any supervisory role yet some of the contractors lack capacity to deliver".

"We see that the market structure is incomplete and it is too small for the total number of fishmongers but it is hard to supervise someone you did not contract. We have no idea about what is expected in the market. The designs were not shared with us. There was even no interaction with the district engineer. We see people who come and go called contractors and consultants but we have never interacted with them. It is like the market belongs to the consultants and MAAIF and not the district. The building is always locked and the little we have seen is by peeping through the windows".

⁴ They preferred anonymity.

In future, we as the district leaders, and especially the district engineers, should be consulted when these structures are being designed so that we provide guidance on what is most appropriate. We do not even have maintenance budgets for these infrastructures that have been constructed by the centre. Such projects should be decentralized and a budget provided for supervision and quality assurance by the relevant district officials.

Key Informant Interviews with District Leaders/Officials in Mukono, Kampala, Luwero, Gulu and Jinja

Key recommendations on fish markets

- a) MAAIF should ensure proper completion of all the fish markets particularly focusing on rectifying the anomalies/snag areas. This would involve ensuring that all the contractors complete their work as per the agreed terms.
- b) Projects such as the Fisheries Development Project should be sufficiently decentralized and district officials empowered to ensure effective implementation and supervision of the various interventions. Empowerment could include timely sharing of information about the project and provision of funds for effective monitoring by district officials.
- c) Future fish market designs should consider beneficiary needs and future demands.

3.1.4 Fish Landing Sites

Background

At inception, the project was expected to develop 8 Class I, 12 Class II and 10 Class III fish landing centres (FLCs). The full range of facilities to be provided included: administration block; marine structure (jetty/quay/wharf walls/piers); fish handling bay; ice generator shed; box wash slab; water supply, treatment, storage and retic; pump/treatment room; drying area; dried fish store; gear/net mending/boat repair shed; VIP toilets; toilet/changing room; Security/Tally room; rubbish skip; site works; internal roads and parking yard; external access road; and power supply. Class I sites were to be provided with ice plants and cold stores of 5mt capacity and Class II with ice makers.

It was reported by the National Project Coordinator that designs for all the 30 sites were done but available resources were sufficient to construct only 12 sites. Of these, 10 fish landing sites were tendered out, 6 of which are near completion (Lot 1) while 4 in Lot II where about 40% complete. Construction of the last 2 landing sites Kagwara and Namasale was planned to start in March 2009. Table 3.2 summarizes the contract sum for for all the sites under construction and the cumulative disbursements between Jan 2008 and March 2009. The physical performance as appraised by the Consultant MBW Consulting Ltd is also indicated.

Table 3.2: Financial and physical performance for landing sites under Fisheries Development Project (Jan 2008 – March 2009)

Category	Landing Site	Contract Amount UShs	Cumulative Disbursement Ushs	Reported Progress achieved (%)
Lot I <i>Contractor Spencon Services Ltd.</i>	Majanji*	2,706,324,859	2,617,765,215	90.50%
	Bugoto*	2,605,157,306	2,418,365,064	85.63%
	Bwodha*	2,445,734,080	1,867,365,196	76.35%
	Gorofa	3,636,522,469	2,305,268,681	63.39%
	Mwena*	2,657,852,370	2,084,938,884	78.44%
	Kitobo*	2,131,744,869	678,440,947	31.83%
Lot II <i>Contractor Dembe Liberty JV</i>	Lwampanga*	2,229,376,081	529,382,992	23.75%
	Butiaba	2,254,224,311	633,436,283	28.10%
	Bukungu*	2,518,058,674	746,740,526	26.66%
	Kiyindi*	2,389,381,284	678,608,780	28.40%

Source: MBW Consulting Ltd, March 2009.

*landing sites that were sampled and visited by BMAU staff

Field observations

i) Majanji Fish Landing Site

Background

Majanji which is the largest among the 4 landing sites in Busia district is located in Lumino sub-county, Majanji parish, Namundiri village and was officially gazetted in 1996. There are mainly 2 types of fish caught at Majanji - Nile perch and Tilapia fish. The Nile Perch has attracted a private fish factory that handles processing and marketing. There are still difficulties associated with processing and marketing of Tilapia. The site was handed over to the contractor (SPENCON) in March 2008 with a contract period of one year.

Implementation status

Construction of the landing site was confirmed to be very impressive and close to completion with the following items almost done within the stipulated time period of the contract:

- Office block
- Dry fish store
- Security and tally office
- Changing room and toilet
- VIP toilet
- Fish handling bay



- Ice making shed with a 3 phase standby generator
 - Box wash
- Majanji Fish Landing Site**

- Jetty
- Drying pad
- Water pump house to supply piped water to the entire site
- Tarmac road

It is planned that the contractors will hand over the completed site in the coming 2 months.

Challenges

i. Salty Sun Drying Center

Over 200 people, mostly women are involved in salty sun drying of fish carcasses which they mostly sell to Congo. However, this activity is done under extremely unhygienic conditions and the salts that are used during sun drying have polluted the lake shores and the fish breeding grounds. A request has been put to MAAIF to provide an upgraded salty sun drying center to which the ministry has given a go-ahead.



Rudimentary sun drying at Majanji

Land has been identified for the project and the district is waiting for the ministry on the next steps. The project is expected to support the development of improved artisanal fish processing facilities. It is important that the project is quickly implemented to reduce on the lake pollution and fish loss.

- ii. The net repair shed which has been cut out of the project due to budgetary constraints is badly needed by the fish mongers.
- iii. The access road to the landing site is in bad condition and should be upgraded to ease movement especially by the traders.
- iv. The fishermen and fish mongers in the area are very poor and may not be able to purchase the necessary gear to make adequate use of the site. It was proposed by the Beach Management Unit (BMU) members that a SACCO should be initiated and strengthened at the landing site to facilitate acquisition of inputs, processing and marketing. The fishmongers should be sensitized by GoU on the principles of borrowing and saving.
- v. The district officials expressed fears about the capacity to utilize and maintain the facility optimally as they lack the necessary skills to operate some of the new technologies/equipment as well as financing. They proposed that MAAIF should fully maintain the facilities; the alternative would be to co-share these costs with the district.

ii. Bugoto Fish landing Site

Background

This site is located in Kigandalo sub county, Bugoto village which is about 35 kms from Mayuge district headquarters. The site is a class II currently still under construction. The site construction started in January, 2008 and completion is expected around end of May, 2009.

Implementation status

The monitoring team confirmed construction of the facility to be about 85% complete. The facilities under construction along with their status are;

- Administration block at the level of 1 coat of paint and doors fixed
- Fish handling shed wash tables- casting done
- Tank tower fixed
- Distribution main trench excavation was being constructed (about 30% complete)
- Transmission main trench- excavations were being done
- Pump and lighting room
- Hardcore filling for the drying area was being done
- Door shutters for VIP toilets being fixed
- Changing room wall tiles already fitted, soak pit excavation already completed
- Security office - painting done and doors fixed
- Marine structures (1 pier) 70% done
- Ice making shed ready waiting for ice making machine to be installed
- Dumping skip complete

Challenges

Fish production has declined greatly since the project was conceived due to illegal fishing methods. The main concern is that the structures could remain redundant or underutilized making it difficult for the districts to maintain them sustainably without sufficient levy from the fish mongers.

iii. Bwondha Fish Landing Site

Background

This is a class II fishing facility which is located within the South Busoga forest reserve in Malongo Sub County, Bwondha village, 40 kms from Mayuge district headquarters. The site construction started in January, 2008 and completion is expected around June, 2009 though initially it was meant to be completed by December 2008.

Implementation status

Good progress has been registered in the construction of the landing site though many items still need to be completed:

- Administration block, kitchen, weighing tables, security office, external access roads, water supply treatment and storage section and drying area close to completion; wash tables - 3 done, 5 not yet done; VIP toilets waiting for electricity, painting and terrazzo; toilet and changing room - tiling has started

- Rubbish skip, pump and treatment room and ice generating shed done and 3 phase generator onsite awaiting installation.
- Chill room (cold room) not yet constructed as the project manager reported that originally, it was not in the design; parking yard, soak pit not yet started on.
- Marine structures; 1 pier- deck installation complete waiting for finishing and protective rail. 2nd pier not yet started - waiting for instructions from consultant

Challenges

- i. The landing site was constructed in a forest reserve and hence challenge of being unable to secure a land title which was a requirement in the agreement.
- ii. Some facilities that are installed are hi-tech and require specialized skills to operate them that are not available among members of the BMUs and fish mongers. It was proposed that communities and the facility managers should be trained in the proper use of the new landing site.
- ii. One of the roles of BMUs is to enforce sanitation and hygiene. BMUs in their current state are too weak to undertake this role properly with the larger facility. They need be strengthened institutionally to be able to undertake their roles effectively.
- iii. Late payment of contractor leads to delays in project implementation.
- iv. District officials and the BMU members expressed worry over the likely high operating and maintenance costs of key facilities such as the large generator which cannot be met from meager district resources.
- v. The removal of the net mending and boat engine repair from the project design was noted to be a major constraint as the users would have no space for engine repair.
- vi. While construction of site is near completion, its management and operationalization including rules and regulations have not been made known to the district.

iv. Bukungu Fish Landing Site

Background

The landing site is located in Kidere Sub County, Kamuli district. The site construction was planned to commence in January, 2008 but started 4 months late in April. The plan is to construct a class I fish landing facility. The project consultant is *MBW Consulting Engineers* and the contractor is *Dembe-Liberty Joint Venture*.

Implementation status

Physical progress was found to be very slow with most of the structures/facilities being either half built or not installed at all. The monitoring team estimated the completion rate at about 20% marching the close to 30% financial disbursement up to date (Table 3.2). At the time



Bukungu Fish Landing Site

of the field visit, work had been at a standstill since December 2008 and there were no workers on site except for two site engineers who turned up to receive the team.

Construction of the following had commenced:

- Fish handling bay- currently at the slab level; Rubbish skip – complete
- Administration block, VIP toilet, security and tally office - awaiting roofing
- Box wash, water supply, pump treatment room, drying area, ice generating shed – all not constructed
- All electrical installations not done
- Marine structures – not done

Challenges

A number of reasons were advanced by several respondents and observations were made by the monitoring team to explain the slow progress including:

- Conflicts and breakup within the 2 parties that were contracted to undertake the work (Dembe and Liberty contractors) revolving around financial management;
- Shoddy work that had to be redone as directed by the consultant. For example, fake materials had been used in ice making shed that was broken down and redone.
- Majorly, weak capacity of contractors. The site engineers who were found on site, despite saying that they had diplomas in civil engineering, could hardly interpret the architectural plan for the landing site and had weak understanding of the purpose of the various facilities under construction.
- The BMU members reported having confronted the contractor and had a big quarrel at the site because the cement, pipes and other building materials were being stolen. According to them, the contractors lacked the capacity and management skills to implement the project successfully.
- Cash flow problems that have led to intermittent lack of materials that are essential for completion of the project. According to the Chairman of the Beach Management Unit, Liberty does not pay workers in time and hence most had quit and the staff turn over was very high.
- Comparison of the architectural plan with the actual buildings/facilities showed some structures as having been misplaced. For example, the toilet is being built near the fish handling bay.
- Political interference by some area MPs and other politicians has slowed progress due to blockage of local government's enforcement of proper fishing regulations.
- Facility was noted to be of a small capacity given the level of activity at the landing site. The old landing site hosts about 700 boats with a total of 1600 fishermen and fishmongers on site each day. The daily fish catch is about 12 tons of Tilapia and 6 tons of Nile Perch.

vi. Mwena Fish Landing Site

Background

Mwena is located in Kalamgala district. Construction of the landing sites was scheduled to start in January 2007 but didn't because of the fuel crisis that hit the country following the post election violence in Kenya. As a result work started in June 2008. Another notable challenge faced was the eviction of squatters on the land availed for the project. At Mwena, 60 households were evicted.

Implementation progress

Construction is progressing well and all the structures are in place at both landing sites as shown below.



Mwena landing site

- Closed Jetty which is nearing completion.
- Changing rooms.
- Ice making plant.
- Fish handling bay.
- Parking yard.
- Security and tally office.
- Administration block.
- Rubbish Skip.
- VIP Toilet.
- Water Pump House.

There was a provision for an external access road linking the landing site to the rest of the Island but this was affected by the problem of squatters as the area councilor refused to grant permission to have the road pass through his area. At Mwena, progress was estimated at 70% and therefore nearing completion.

vii. Kitobo Fish Landing Site

Implementation status

Kitobo in Kalangala district, has similar facilities as Mwena landing site except the ice making plant as it is classified as a Class II. Work started in June 2008 although it stalled for about 5 months as contractors found it difficult to transfer all the construction materials from one Island to another due to lack of suitable cargo vessels in Uganda. The ship failed to land at Kitobo 3 times due to lack of appropriate landing/marine facilities. This was rectified when the contractors hired a ship from Tanzania to aid in the transportation of the materials. They also constructed a temporary Jetty behind Kitobo Island. At Kitobo, 150 households were evicted.

Overall progress is estimated at 55% despite the fact that construction began at the same time as Mwena. Since Mwena landing site is near completion, the contractor has moved most of the labour from this site to Kitobo to quicken the construction process.

Challenges

- i.** Concerns were raised about lack of maintenance funds for such a large infrastructure at district level.
- ii.** Fish in the lake is facing rapid depletion due to illegal fishing methods. This poses a threat because this may render the landing sites unviable in the future because of meager amounts of fish collected resulting in low tax returns.
- iii.** Kalangala district faces a unique problem of labour shortage as every migrant and most indigenous people find fishing more rewarding than construction works.
- iv.** High cost of transporting materials from the main land and between islands.
- v.** The project is highly centralized such that district officials lack adequate information about it to enable them monitor implementation.

viii. Kiyindi Fish Landing Site

Background

Construction of the fish landing site started in May 2008 and completion was scheduled for 15th January 2009. The site is located in Najja Sub-County, Kiyindi Parish Mukono District and it is a class one facility.

Implementation status

It was noted that most structures had not been done and the site was abandoned. Work has stalled for about 6 months a fact attributed to wrangles between the consortium of contractors Dembe an Liberty joint venture. Completion rate was estimated at 20%.

Progress at the site was as follows:

- Jetty – had not yet been constructed, only a coffer dam had been done. However it had been subcontracted to a Chinese firm.
- Security Tally Office and Administration block had not yet been completed.
- Fish Handling Bay and Ice making plant at slab level.
- Pump House, Dry fish store had not yet been constructed.
- Electricity and water supply yet to be installed.
- The architectural design did not take into account the swampy areas at the landing site. Therefore the net shading area has to be shifted from its current location. This will only be done after completion of the dry fish store.

Members of the BMU expressed disappointment with the way the project had been handled because of the following advantages that would accrue to the community upon successful completion of the project:

- Kiyindi is a catchment area for 5 different landing sites in Mukono mainly the surrounding Islands and therefore the landing site would increase tonnage of fish captured and handled.

- The ice making plant was a welcome intervention because most fishermen had begun selling their catch to fish factories at exploitative prices. With the Ice making facility, the fishermen will increase shelf life of the fish and demand will go up as companies will not be able to exploit fishermen.

Challenges

- Rampant depletion of fish in the lakes due to poor fishing methods. Law enforcement on lakes is expensive yet the BMUs and the district lack adequate facilitation. Mukono district, for example has one fiber glass boat for patrolling the lake.
- Though the road to Kiyindi is first class murrum, there is need to upgrade it to tarmac because it has heavy traffic mainly of heavy tonnage vehicles transporting fish.
- Maintenance of this facility after hand over to the district will be challenging.

(ix) Lwampanga Fish Landing Site

Background

This is a class I landing site located in Lwampanga sub-county Nakansongola District about 30Kms from the district headquarters. The district has about 33 landing sites in total. Before construction commenced in June 2008, there were fishermen and boats occupying the site so they had to be relocated. The consultant is *Kamulegeya & associates* while the contractor is *Liberty & Dembe Joint Venture*.

Implementation status

At the time of monitoring visit, construction was found at about 20% completion and the site was abandoned with no ongoing works. It was reported by the BMU Chairperson that work had stalled for two months. Only 4 out of the 15 structures/facilities that were supposed to have been constructed had been substantively started on:



- Administration block- currently at the ring beam level
- Security and tally office- currently at ring beam level
- Fish handling bay- currently set with stones, yet to finish the slab with concrete
- Ice plant shed- at slab level
- Rubbish skip – almost complete

The other facilities were either at foundation level or not yet constructed. There were some materials strewn onsite awaiting use.

Challenges



- The ice plant which was initially intended to be located at the site had to be relocated to the district headquarters because the government was not able to extend the power to the site. Installation of the ice plant is yet to be expedited.
- During the rains, water floods the site making construction impossible.
- Construction started quite late - about 8 months after the site was handed over to the contractor. This was attributed to the wrangles between the companies in the joint venture that had contracted the job, at one time resulting in deployment of soldiers at the site.
- Delayed release of funds affected the pace of implementation.
- Lack of knowledge among district officials about the project thus hindering effective supervision. The district fisheries officer tried to follow the project progress on some occasions but was discouraged by the slow progress of construction. He lost interest in checking on the project.
- There is risk of loss or wastage of materials due to poor storage.

Key Recommendations for Landing Sites

1. All the sites handled by the contractor Dembe-Liberty Joint Venture are under-performing and are unlikely to be completed within the project period at the current pace. It is recommended that this contractor is terminated and replaced by a contractor with proven high capacity to deliver, given the short period before elapse of the project.
2. The design of some facilities – rubbish skip, toilets – did not take account of the needs of the physically handicapped and yet many are several metres off the ground. It is recommended that, in future, all structural designs should not be approved unless they include facilities for the physically handicapped.
3. MAAIF should work out with districts a schedule for maintaining the new facilities, indicating how and where the funds for maintenance will be sourced on a sustainable basis.
4. MAAIF should quickly put in place and share with districts and BMUs the management/operational/capacity building plans for these landing sites.
5. In future, projects like this one should be sufficiently decentralized especially in the area of monitoring and supervision.

3.1.5 Aquaculture

Background

Fish in Uganda is mainly obtained through capture from lake bodies. The country has witnessed a steady decline in fish catch and exports, over the past decade due to over fishing and use of illegal fishing methods. This trend is not peculiar to Uganda alone but is common globally. Most countries are therefore exploiting the alternative of fish farming to ensure that fish exports remain high. For example, China produces 1.2 million metric tones (mt) and Egypt 600,000 mt annually from fish farms. Uganda currently produces approximately 350,000 mt from all the lakes combined.

Hence, the GoU is stepping up its support to the development of aquaculture production and research through the Fisheries Development Project. The project serves 2 categories of aquaculture farmers: the commercial large scale farmers and the small scale farmers. The project is to serve about 400 small scale and 200 large scale farmers. It was reported by the project coordination unit that so far, about 450-500 farmers have been served since project inception. They are provided with equipment and tools such as wheel burrows, cement, fencing, fish feeds, fish fingerlings, solar systems, water tanks, water pumps and generators. Four regional fish fry research centers - Kajjansi, Mbale, Gulu, Bushenyi – were to be established by the end of the project period (2008 extended to 2010).

During this quarter, monitoring visits were made to two of the four fish fry research centres – Kajjansi and Gulu.

i. Kajjansi Aquaculture Research Station

Background

The aquaculture research station at Kajjansi on Entebbe road has been, since the 1950s, an experimental station. It was in 1994 when it was taken over by the National Agricultural Research Organization (NARO) and managed administratively. The station was recently transformed into a research station with the support given under the Fisheries Development Project towards infrastructure and research development. The largest part of support is towards infrastructural development involving construction of buildings - laboratory, library and a hostel and civil works involving the construction of ponds, tanks, a hatchery, generator house and general civil works. The research component focuses on training of officers in fish breeding and fisheries.

Implementation status



Construction works began two years ago and all the planned buildings - Laboratory, Library and Hostel – have been completed. Civil works experienced some delays due to the following reasons

- Withdrawal of consultant leading to works coming to a standstill until a suitable replacement was found;

Completed hostel building

- Need to acquire alternate land/site as GoU reallocated originally allocated land to another project supported by the Chinese Government. The newly acquired land was encumbered and issues had to be settled prior use for the fisheries works.

The civil works are progressing well: construction of water reservoirs is 50% complete; ponds construction is about 50% complete; site clearance is 100%; construction of hatchery laboratory, office and generator house has commenced. The originally planned construction period was November 2007 – August 2008. With the extension, it is planned that completion will be at the end of April 2009.

Once completed, the station is expected to support farmers demonstrating efficient water management

Foundation for hatchery under construction



and fish multiplication which is expected to result in production of 100,000 tonnes of fish from fish farms annually.

Issues/Challenges

- i. It was noted that the research station is a satellite station to the Jinja Fisheries Institute. Distance hinders decision making and effective management. Also the core competence of the Jinja Fisheries Institute is capture fisheries yet the Kajjansi facility is focusing on aquaculture hence conflicting interests. *It was proposed that the Kajjansi facility should be granted semi-autonomous status to focus solely on aquaculture research and development.*
2. The station lacks sufficient numbers of qualified staff to undertake aquaculture research.
3. The station lacks equipment to undertake the new roles effectively, especially laboratory equipment and vehicles. The only Government car at the station is already obsolete with a few old project vehicles. This hinders outreach to distant fish farms that require advisory services.
4. Although taxes on agricultural inputs were lifted, this waiver did not include aquacultural inputs. This hinders the smooth importation of aquacultural inputs and equipment that are highly specialized and costly.
5. Fish feeds are unavailable and too costly to import.

ii. Gulu Aquaculture Centre

Background

Work to construct aquaculture infrastructure in Gulu Town Council was contracted and handed to GQ? investments on 17th April 2008. The plan was to complete the work in an 8 months period. Construction was to include 24 fish ponds, 2 water reservoirs, an office block, hatchery structure, store and generator room, 3 phase electricity extension, perimeter fencing, drilling a production well, connection to access roads, connection to water supply and water pumps.

Implementation status

It was reported by the district officials that about 85% of the infrastructure and civil works was in place. Field observations indicated that the bulk of the construction had been completed although there was still some work to be done as shown in Table 3.3 . Extension was given to the contractor to finalize work by March 31st 2009 which is unlikely given the backlog of work to be completed.

Table 3.3: Progress in construction of Gulu aquaculture centre

Item	Field Observations
Fish Ponds	About 90% of construction work of 24 fish ponds is completed. Remaining work is to test ponds for effectiveness and plant grass on the banks to avoid erosion and silting which was observed to have already started.
Water reservoirs	100% completion of 2 water reservoirs. Testing to be done for leakages.
Office block	About 70% completion; Floors yet to be cemented and wall plastering was ongoing.
Hatchery structure	70% completion. Left with plastering structure and installing internal facilities like electrical works
Fencing	Done using chain link; remaining to fix the gate
Store and generator room	85% completion; doors to be installed, painting and electricity
Electricity	Grid power has been extended just outside the facility. What is remaining is to connect it to the facility.
Well	Drilling has been completed and water produced. What is remaining is to test the geological requirements and install the pump.
Water supply	Connection to facility not yet done
Access road	Done but road has been degraded during construction and ferrying of heavy equipment and materials. Final resurfacing will be needed.

Issues/Challenges

1. Although the infrastructure has been constructed, the management arrangements are not known to the district officials. A management plan is urgently needed. The research centre needs to be properly equipped and staffed for functionality.
2. Supervision of the project has been rather challenging since the pull out of the consultant who was never replaced. A resident clerk of works who was promised by MAAIF has never been procured. The project is directly supervised by MAAIF.
3. District officials expressed anxiety on how this infrastructure will be maintained as they lack the necessary finances. Already, grass was growing in the fish ponds before completion. Water supply and electricity has to be paid for in addition to maintaining all the other infrastructures.

Key recommendations for Aquaculture

- Consideration should be given to granting semi-autonomous status to Kajjansi Aquaculture Research Station to first track aquaculture research and development in the country.
- A management plan to operationalise, Gulu Aquaculture Centre and any other of this nature is urgently needed from MAAIF to guide the respective districts in proper implementation. The management plan should also include guidance on how the infrastructure will be maintained. It is important that these management plans are fully discussed and agreed upon by the relevant parties- MAAIF, NARO and the districts.
- The aquaculture research centres should be properly staffed and equipped for functionality.

3.1.6: Vegetable Oil Development Project (VODP)

Implementation status

In the first quarter of this financial year, the BMAU monitored the oil palm component of the VODP. Further monitoring of this project component was undertaken in this quarter to track progress in implementation since the last monitoring visit. This included visiting the out-growers scheme, smallholders and the nucleus plantation.

Overall progress

Table 3.4 shows the state of implementation of the project between Q1 and Q3 and the reasons explaining the level of progress/non-progress.

Table 3.4: Progress in VODP Oil Palm Component during Q1-Q3

Output indicator	Status of Implementation		Remark
	Q1	Q3	
8 motorcycles procured	6 procured & to be delivered to Kalangala	All procured - 6 delivered in Kalangala and 2 delivered in SARRI Serere	Target achieved
Kalangala Oil Palm Growers' Trust (KOPGT) Office block constructed	75% of construction completed	80% complete	Finishing yet to be done. Target about to be achieved. About 69m of 200m spent
KOPGT offices furnished	Procurement process has started	Procurement ongoing	Office cannot be furnished before construction is 100% complete. No expenditure done
Store constructed	Procurement has started; delivery of output in Q4	Bills of quantities in preparation. Work execution expected to commence this quarter	No expenditure done. A store has been rented in the interim. Site has been identified
Low-loader procured	Procurement has started	Procurement ongoing	Contract at Solicitor General, delivery expected in 4 th quarter. No expenditure done
290 acres of land cleared	Target has been achieved. 58 farmers are benefiting	190Ha cleared & planted	168,000,000/= of 241,732,000/= spent so far. Costs of clearing, weeding

			have increased
1,699 acres of land maintained	Target has been achieved. 603 farmers have benefited	Information not available	Scarcity of fertilizers and labour are key challenges
500 ha of land acquired for nucleus estate	2,250 acres or 910.6Ha acquired in Buvuma islands in Mukono using the 1.14bn rolled over from FY 2007/09. 182% achievement of target	Nil	Negotiations still going on. Land becoming more scarce and costly. Some of the land previously acquired is not yet paid for due to resource constraint.
400ha of land surveyed and titled	226Ha have been surveyed and titled. 57% achievement of target	200ha acquired	Additional 200 ha acquired as compensation for Land already given but that could not be used due to NEMA's condition of protecting a 200 meter strip along the lake

Source: Field findings and VODP quarterly progress reports

Progress has been registered in implementing many of the planned outputs under this component. Lengthy procurement processes remain a major challenge to implementation as was observed in Q1 of this FY.

Out-growers Scheme

Under this scheme out-growers surrender their land to Oil Palm Uganda Limited (OPUL -BIDCO) which then manages the fields in terms of planting and maintenance for a period of 3 years after which they are handed back to their respective farmers. Cost recovery would be undertaken when farmers take their fruits to the processing factory at OPUL.

The out-growers expressed dissatisfaction with the poor maintenance and fertilizer application on their fields by OPUL. They felt that their fields were poorly maintained compared to the nucleus estate as evidenced by the yellowing of plants. This would in turn result in low yields and returns. This is breeding distrust between OPUL and the out growers because they view this as deliberate sabotage on the part of OPUL since they will deduct the money spent on the fields during the three years before handing over to the farmers.



Out-grower plantation

Field observations of out-growers blocks indicated that some plants were doing well while others were yellowing. This was explained by OPUL to be a result of bad soils in some parts of the island and lack of proper monitoring by KOPGT to ensure that the right quantities of fertilizer are applied. It was recommended that KOPGT should strengthen the monitoring function to ensure that the right fertilizer quantities are applied. This may be challenging given the few staff within KOPGT.

Smallholders Scheme

Under the smallholder scheme, farmers are supported directly by KOPGT and therefore do not have any direct linkage with OPUL. KOPGT supports farmers with fertilizers and credit for maintaining their fields. About 720 farmers are currently being supported by KOPGT. Fertilizers are imported by OPUL and paid for by Government. Under the scheme, farmers are given Shs.50,000 per acre every quarter for weeding and thrashing between plants. However, the farmers indicated that this amount is no longer sufficient under the current economic conditions where labour is more costly. They suggested that this amount should be raised to at least shs.100,000 per acre. On average, farmers have between 5 and 20 acres individually.

Some of the key challenges indicated by farmers included:

- Scarcity and high cost of fertilizers which raises the loan size. For example, in a short period, the price of NPK rose from Sh.666 per Kg to Sh 2500 per Kg. A bag of 50 KG is provided at shs. 125,000 per Kg. fertilizers are not available when needed. The farmers fear that they will realize low yields due to limited fertilizer use. Farmers were given a grace period of 3 years from start of harvesting before repaying the loans.
- The cover crop seedlings that were availed to farmers for enhancing soil fertility were defective yet cost recovery will have to be made.
- Labour is not easily available as most people are involved in fishing which is more paying.
- As a result of high costs of maintenance, some farmers have sold off their fields to willing buyers together with the liabilities incurred under KOPGT. Monitoring such field and loan transfers is a challenge.
- Palm fruits are ready on many smallholder blocks but the processing factory is not yet constructed.



Smallholder farmer harvesting palm fruit

- Farmers lack appropriate technology to quickly harvest the bulky highly perishable palm fruits. Palm fruits, once harvested have to reach the factory within 24 hours. Each tree may yield several bunches at the same time. Presently farmers are using rudimentary, labour intensive time consuming implements to harvest the fruits.
- Funds should not be given by GoU in festivity days as it is misused

OPUL/BIDCO

Currently OPUL has developed 5700 hectares out of the required 6500 hectares. However a new nursery has been constructed with a capacity of 300,000 seedlings which can cover 1500 hectares. Agreement with GoU is that these seedlings will be planted as follows - 1000 ha for the smallholders, 100ha for out growers while 400 ha are for the nucleus estate. OPUL though lost 100ha of the allocated 400 ha to Gala Central Forest Reserve thus making it 300 hectares. OPUL was concerned that GoU may fail to raise sufficient land for smallholders to use the allocated seedlings. The seedlings are expected to be plantable at 14 months after which GoU will be charged by OPUL for maintenance of these seedlings.

KOPGT staff indicated that they were trying to secure more land for smallholders from other islands. However, BIDCO is not ready to work on other islands except Buvuma which is within the agreement with GoU. Working on other islands increases the operational costs tremendously (transportation of materials, training of farmers)

The management of OPUL expressed dissatisfaction at the way the land acquisition process by GoU is delaying the implementation process. OPUL has so far received 7700 hectares of land but of these 6500 hectares are plantable. The other 1000 hectares were lost to the forest reserve and reduced the acreage further without explanation. OPUL raised questions about who has authority to dispose of government assets such as land.



The management conceded that although fertilizer prices

Stocked fertilizer in OPUL Stores

had gone up, they will reduce. OPUL finds it difficult to supply fertilizer to KOPGT due to inadequate storage facilities. A visit to OPUL stores indicated that 100 bags of fertilizer meant for KOPGT were still in OPUL stores. This poses a risk as these bags may be siphoned out by scrupulous workers. GoU needs to expedite the process of constructing the KOPGT store.

Construction of an oil palm mill to process crude oil commenced in December 2008 and machinery is expected in June. Processing is expected to start end of June with a capacity of 10 tons per hour which will be upgraded to 40 tons per hour in October 2009. Machinery for harvesting is expected and will be distributed to the farmers. A process has started of constructing marine structures for safe landing of heavy oil vessels that are in the process of being imported by OPUL for transportation of crude oil to Jinja Refinery.

OPUL accented to the problem of labour scarcity on the plantations despite Shs. 2500 a day worked accompanied with free housing for worker and family and free medical for the worker. The ratio of labourers to land is 1 worker: 5 hectares in harvest period, but it is now 1: 3 Ha because more labour is needed for planting, weeding and applying manure. All workers are imported from other parts of the country.

OPUL noted that once all the planted palm trees on Bugala Island come into production including the nucleus, smallholders and out-growers, the production will only satisfy one months worth of raw materials in the Jinja factory. The company will continue importing the rest of raw materials from Malaysia. It was recommended that given the profitability of this crop, GoU should consider expanding massively oil palm growing across the country to ensure a sufficient flow of raw materials.

Key Recommendations for VODP

1. OPUL should improve maintenance of out-grower fields and provide accountability to farmers on how much has been applied to their fields. This will increase transparency in the cost-recovery process and confidence among the out-growers.
2. KOPGT should work out a scheme involving the out-growers to step up the monitoring efforts of all the activities undertaken by OPUL on the out-grower schemes.
3. Construction of the KOPGT office block and equipping it as well as construction of the store should be fast tracked.
4. Smallholder farmers and out-growers should be trained and adequately prepared for the harvesting processes. GoU needs to pay special attention to supporting farmers with appropriate technology for harvesting and transporting produce to the processing mill in a timely manner.

3.2 Education

3.2.1 Introduction:

Monitoring activities during the quarter focused on reviewing the progress of implementation of selected activities reported in the MoES Progress Report of Quarter two for 2008/09 FY. The team visited development projects in 20 districts⁵. These projects included construction under school facilities grant (SFG), construction of seed schools funded by ADB/GoU, construction of additional classrooms under universal secondary education (USE) for over enrolled schools, emergency construction and rehabilitation, rehabilitation of primary schools, construction of schools and technical institutions under the presidential pledge and construction of the 15 health training institutions. The team also followed up the inspectional grant received by the districts.

Coherence of Second Quarter Progress Report with Work-plan (September-December 2008):

A number of activities implemented by MoES as reported in the second Quarter Progress Report (September-December 2008) were outside the submitted annual work plan. This is contrary to what was agreed upon in the memorandum of understanding that signified the performance contract for that sector.

The table 3.5 summarizes the implemented activities that do not appear in the sector work plan for FY 2008/09:

Table 3.5: Activities by MoES that were outside the agreed on work-plan

Project code	Project activities	Actual physical progress reported	Actual expenditure in Ug.Shs	Comments
0943	Non residential buildings	Construction and completion of Namiyango P/S in Mbarara District	319,000,000	Not in 2008/09 Work plan
		Construction and completion of Masulita Primary School in Wakiso district		Not in 2008/09 Work plan
		Construction and completion of St Peter Claver Nakasuwa P/S in Mayuge district		Not in 2008/09 Work plan
0942	Renovate and equip buildings	Amugo-Agro T/Institution	10,218,000	Not in 2008/09 Work plan
		National Meteorological Institute	6,474,000	Not in 2008/09 Work plan
		Fisheries Training institute	40,000,000	Not in 2008/09 Work plan
		Lugogo Vocational Training institute	29,218,500	Not in 2008/09 Work plan
		Nakawa Vocational Training institute	250,425,000	Not in 2008/09 Work plan

⁵ Mpigi, Wakiso, Pader, Lira, Masindi, Nakasongola Luwero, Kabale, Bushenyi, Ibanda, Isingiro, Mbarara, Rakai, Masaka, Busia, Tororo, Pallisa, Iganga, Mayuge and Jinja

3.2.2 Emergency Construction and Rehabilitation of Primary Schools

The progress report indicates that MoES spent Ushs. 319,000,000/= on emergency construction and rehabilitation of four primary schools during quarter two 2008/09. The monitoring visits, however, found the following:

Table 3.6: Field findings under emergency construction of primary schools

Institution	Reported activities done in Q2 by MoES	Funds spent	Status
Namiyango Primary school in Mbarara district	Construct and complete Namiyango Primary school.	319,000,000	The monitoring visit found that this school does NOT exist in Mbarara district. The DEO together with DIS confirmed to the monitoring team that there is no government primary school in Mbarara district with that name. The team was advised to search for the school in Isingiro district,, where it was further confirmed that the school was non existent.
Masuliita C/U Primary School	Construct and complete Masuliita Primary school.		Masuliita P/S was reported in the first quarter Progress report as having benefitted from 79,000,000=/. The monitoring visit for Q1 then, found that the school had not received that money and no construction had taken place. This same school is reported again as a quarter two output and that it benefitted from 319,000,000=/. This is double reporting. Findings further indicated that the school received 79,000,000=/ and therefore had not benefited from the Q2 funding. However, the by the time of the visit it was still on the school account and Construction has not started.
Nakasuwa Primary School in Mayuge	Construct and complete of St Peter Claver Nakasuwa Primary school		The findings indicated that the school received Ush. 25,000,000/= for completion of a three-classroom block. Construction of this block was started with funds collected from a fundraising which was organized by the area MP for Bunya East. Ush. 8,000,000/= was raised. However, it was not enough to complete this structure. The contribution of Ush. 25m was therefore used to complete it and also to provide furniture.

Therefore further explanation should be sought from MoES authorities on how Ush. 319,000,000=/. under the Emergency Construction and rehabilitation of primary schools was used. Immediate steps must be taken to recover these funds if not effectively accounted for.

3.2.3 ADB III Education Project (O949):

Construction of 25 seed schools with funding from ADB which started in 2007 was supposed to have been completed. Each school should have received an administration block, laboratory block (with 2 laboratories one for chemistry/physics and the other for biology/agriculture), 2 blocks of classrooms with 2 classes each, toilet stances (3 stances

for girls, 3 stances for boys and 2 stances for teachers); two large water tanks of 10,0000 litres each with an underground tank. At least 2 staff houses, a gate with a gate-house and a chain link around the school were also provided. Playgrounds are also supposed to be graded in all these schools and furniture is provided. Solar for the administration block is to be provided in due course. All of them were commissioned at a ceremony held in Bukwo district.

While construction work is largely complete, work was still going on in a few of these schools by the time of the monitoring visit. The beneficiaries in the various sites visited, all commended the quality of work done during the construction of these 25 seed schools.

The monitoring team visited some of the schools and the table 3.7 summarizes the findings:

Table 3.7: Summary findings on ADB funded seed schools

Institution	Status of implementation.
Naggulu Seed School in Namayumba S/C, Wakiso district.	<ul style="list-style-type: none"> Construction almost complete. The administration block and the 2 classroom blocks had been completed. By the time of the monitoring visit, the remaining work at the site was connecting the school to the grid, completing the science Laboratories, grading the compound and play ground as well as working on the fence and teachers' quarters which were not yet done
Lagwai Seed S.S. in Pader district	<ul style="list-style-type: none"> Construction was completed.
Kalongo Seed School in Nakasongola District	<ul style="list-style-type: none"> Construction was almost complete. By the time of the visit, finishing touches on the structures were being made. Work on going on the administration block included putting shutters and final painting. Some works on the laboratory were yet to be finished. These included working on the floor of the 2 laboratories, the drainage system, installation of the gays system and final painting. Wiring was yet to be done. Furniture for the laboratories had however, been received. MoES had also supplied the chemicals and textbooks. However the store was not yet complete, so they were hiring a room in Kalongo trading centre to keep all the school materials. The playground was not yet graded. However, the work so far done was rated very good.
Luwero Seed S.S in Luwero District	<ul style="list-style-type: none"> This site was done by Eastern Builders and Engineers limited. The beneficiaries on site complained about the speed of the contractors saying there were too slow and construction was behind schedule. Construction was supposed to be completed by October 2008. By the time of the monitoring visit, a number of works at this site were not completed. The classes were complete, but the laboratory block was not. The plumbing for the laboratory as well as gas system had not been installed. The floors were still rough. Pit latrines had been constructed but the urinals were yet to be done. The playgrounds had not been leveled. Some of the walk ways had not been done. The natural fence around the school had not been done. <p>The Indians working at the site had issues of payment with their contractors.</p>
Kiziba High S.S in Rakai District	<ul style="list-style-type: none"> Construction started in February 2008 by Eastern Builders Construction Company. Constructed 2 classroom blocks with 2 classes each, a laboratory block, an administration block with offices, a staffroom and book store. They had also completed construction of the pit latrines (5 stances for girls, 4 stances for boys and 4 stances for teachers). By the time of the monitoring visit, work was 95% complete. All the classes and administration block had been furnished. The remaining works included putting

	<p>glasses, locks on the doors and fasteners on the windows, finishing the arch on the administration block and wiring it.</p> <p>More work needed to be done on the laboratory block which was rated 60% complete. The floor had not been done. The plumbing and installation of the gas systems had not been done. The tanks to supply the laboratory block were yet to be installed.</p> <p>The gate house as well as the natural hedge/fence around the school was yet to be done. The play ground was yet to be leveled. However, workers were digging the underground tank and more work at the site was going on at the time of the monitoring visit. The work done by the contractor was rated as very good by the beneficiaries.</p> <p>The school had received an assortment of books and science equipment from MoES.</p>
Bukanga Seed S.S. in Iganga District.	<ul style="list-style-type: none"> • Construction of Bukanga S.S. started in November 2007 by M/s. Dott Services Ltd. The administration block is fully complete. Two classroom blocks are fully complete and in use. The laboratory block (with 2 laboratories one for chemistry and physics and the other for biology and agriculture) had also been finished. Water and gas systems have been installed. <p>Pit latrines (5 stances for girls, 4 stances for boys and 2 stances for staff) are also complete. All the walk ways have been done. The gate house was finished. The play grounds have been leveled and grass planted.</p> <p>“They have done a very good job” said the head master.</p>

It was also reported that under ADB III, a saving was made by removing redundancies mainly the ceilings during the process of construction. The saving realized was used to provide extra accommodation for teachers in some of the distant schools. Each of the 25 ADB seed schools is provided with two housing units for teachers’ accommodation while some remote schools are getting four housing units.

There have also been a number of challenges:

- The classroom designs were made way back in 2005. They were designed to accommodate 45 students at the time. ADB however, provided for 50 students. But when USE started, it was recommended that each class sits 60 students. Therefore there is a gap in furniture provision in these schools.
- The rise in cost of construction between 2005 to date led to adjustments in the size/number of laboratories from 3 units to 2 units in order to fit in the budgets.
- There is limited community participation in ADB projects. This threatens the maintenance of these facilities.
- Most of the instructional materials provided to these schools are not engraved and therefore could easily be stolen.
- All the 25 seed schools are located in remote areas. This poses challenges of deploying teachers, carrying out inspection and monitoring and provision of adequate security to the facilities.
- For ADB III there were challenges of paying contractors who were finishing their projects ahead of time.

Future plans:

- Under ADB IV, fifteen (15) of the new over enrolled 25 seed schools will be expanded during the FY 2009/10. These schools have received overwhelming response from the public yet only 2 classroom blocks have been constructed.
- ADB IV will also build 12 new seed schools in sub counties without any secondary schools

Challenges:

Though attempts were made to provide water for these schools, some of them especially in remote areas request government to consider providing boreholes. This is because the reserve tanks provided are inadequate to take them through the long droughts.

People do not seem to participate in the monthly site meetings including some of the area politicians. This weakens monitoring and supervision and subsequent sustainability of the facilities.

3.2.4 Seed Schools funded by Government of Uganda (GoU):

A number of seed schools funded by (GoU) have been constructed in various places. Construction of phase I started around November 2007 for most of them. They are all supposed to have received an administration block that comprises three offices (Headmaster, Deputy Headmaster, bursar) a staffroom and a library room. These schools were also supposed to receive a 2 classroom block with 3 pit latrines (3 stances for boys, 3 stances for girls and 2 stances for teachers). These schools are reported to having received an assortment of text books for teachers and students, science chemicals and other reference books from MoES.

The details for the progress on each of the seed schools visited are summarized in table 3.8 below:

Table 3,8: Progress in GoU seed funded schools

Institution	Status of implementation.
Omot Seed in Pader District	<ul style="list-style-type: none">• Construction of this school started in January 2007 by Wileng Construction Company. Construction of the first phase took one year instead of 4 months, before completion! The beneficiaries have issues with the quality of work done by this contractor. The district wrote to MoES recommending the termination of his contract.• Construction of phase 2 started on 7th February 2009 by Leobenna construction. A 2 classroom block including provision of furniture will be put up in 3 months. By the time of monitoring visit, the block had reached ring beam level going on to roofing. This time the beneficiaries are impressed by the speed and quality of work done by this contractor.
Pakanyi Seed S.S. (Kiyuuya) in Masindi District	<ul style="list-style-type: none">• Phase I construction started in November 2007 by Kervin Construction company. Work was completed in July 2008 and structures came into use during term three. Furniture for the classes and offices was also supplied. Supervision was done by the district engineer. The stakeholders including the Board of

<p>Nyamareebe Seed S.S Ibanda District</p>	<p>Governors are satisfied with the quality of work done.</p> <ul style="list-style-type: none"> Construction started in January 2007 by MABEY Agencies Limited. An administration block, a 2 classroom block with pit latrines have been constructed. <p>However, all buildings lack lightening conductors and the chalkboards were not well done. But the contractor promised to work on them when he gets paid.</p>  
<p>Masha High School Isingiro District</p>	<ul style="list-style-type: none"> Construction started in February 2007 by MABEY Agencies Limited. An administration block with 4 offices and a waiting room, 2 blocks with 2 classes each, pit latrines (3 stances for girls, 3 stances for boys, 2 stances for staff) had been completed. Furniture for the classes and administration block had been supplied. The contractor had also corrected the defects on the floors of the classroom and administration block. The school had also received an assortment of books from MoES. It had also received science kits with chemicals and reagents and a used computer. The school needs facilities for hostels especially for girls because the school is in a hard to reach area in a pastoral community. The girls come from long distances, some riding bicycles.  
<p>Gogonyo Seed S.S. in Pallisa District</p>	<ul style="list-style-type: none"> Construction started in 2007 by Kamukamu Construction Company. The first block of 2 classes was completed as well as latrines (3 stances for girls and 3 stances for boys). However, the latrines for teachers were never done. The administration block is not complete and lighting conductors were not installed. During May 2008 construction of another 2 classroom block started. However, to-date the structure is incomplete and the contractor has exceeded his contract period. <p>The beneficiaries are dissatisfied with the quality of work done. The district engineers have been at the site several times.</p>
<p>Apopongo Seed S.S. in Pallisa District</p>	<ul style="list-style-type: none"> Construction started in 2007 by Petex construction limited. The administration block and a 2 classroom block were put up. These are complete. Around December 2007, construction of another 2 classroom block started. This was completed in March 2008. Latrines (2 stances for teachers, 3 stances for boys and 3 stances for girls) were also completed. <p>The beneficiaries rate the work as very good.</p>

A number of districts however, complain that most of these constructions started without the knowledge of district officials. Most of them had no information on the construction



activities and even where they got the information and tried to perform their supervisory roles, the contractors often disregarded them. MoES should therefore share information with district officials about the projects they are implementing in their districts.

3.2.5 Construction of USE schools:




Government has continued to provide funds for construction of additional classroom facilities in overenrolled schools providing Universal Secondary Education (USE). There are a total of 79 over enrolled USE schools. Out of these 33 are implementing a double shift because of the shortage of infrastructure. In the first quarter, fourteen (14) USE schools received Ushs 75,000,000= for construction of additional classes. During second quarter another batch of seventeen (17) USE schools were said to have received these funds.⁶ The monitoring team sampled the USE schools that have received these funds and visited a few of them.

Findings about the progress of implementation are summarized in table 3.9 below:

Table 3.9: Progress in construction of USE schools

Institution	Status of implementation.
Ruyonza S.S. in Bushenyi District?	<ul style="list-style-type: none"> The school has received the funds. Construction started in June 2008 by Bitereko Hardware Construction Company for a contract period of 3 months. However, the classroom block has never been completed. The structure was roofed and left at that level. It was not plastered, the floor was not made and shutters were never put. The drainage around the building, blackboards and fresher boards, painting as well as wiring of the building were yet to be done. Facilities for children with disabilities had not yet been provided for on the pit latrines. Even the furniture has never been supplied. However, they were satisfied with the quality of work so far done. The contractor did not complete the task because the released funds were said to be inadequate. <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <p data-bbox="500 1415 902 1444">New classroom block at Ruyonza S.S</p>
Busia S.S.	<ul style="list-style-type: none"> The school received Ushs.75,000,000 in December 2008. Construction of the additional classes started in February 2009 by One group of Companies. One block of 4 classes has been constructed and 2 VIP latrines of 3 stances each. By the time of the monitoring visit the structure was on the ring beam stage. The quality of work was appreciated by the beneficiaries.

⁶ Though the Second Quarter Progress Report indicated that only 3 schools had received these funds, it was noted that there were more USE schools that had received these funds through interaction with MoES officials. The report was right since you found that the schools had actually not got the funds

	 <p>New classroom block at Busia S.S</p>
<p>Rubongi Army S.S. in Tororo District.</p>	<ul style="list-style-type: none"> The school is located within Rubongi Army barracks. This is a school for the 3rd Division of the UPDF which was started to offer education to orphans of soldiers in the 3rd division. Today they have over 700 students 75% of which are orphans 20 % are children for serving soldiers while the 5 % is from the sub county. By the time of the monitoring visit, the school had received Ush. 70,000,000/= Construction of additional classes started in February 2008 by Petex Uganda Limited for a contract period of 6 months. 2 blocks of 2 classrooms each have been constructed. However the verandahs and the pit latrines are not finished. <p>The contractor supplied only 50% of the furniture and the rest is not yet supplied. The contractor has exceeded his contract period. However, there are also some balances that have not been paid to him.</p>
<p>Busembatia S.S. in Iganga District</p>	<ul style="list-style-type: none"> Busembatia S.S received Ushs 75,000,000 for construction of additional classes in December 2007. Construction started in March 2008 by SAMU General Contractors. They were supposed to finish the work in three months however they have exceeded the contract period. Two classroom blocks of 2 classes each were put with 2 VIP latrines of 3 stances each. The structures were all roofed and left at that level. It was reported that the funds received were not enough to complete the work. The structures were not plastered, have no shutters and have no glasses. The VIP latrines have no doors. Despite the delay in completing the work, the beneficiaries are satisfied with the quality of work done so far. <div style="display: flex; align-items: center;">   <div style="margin-left: 20px;"> <p>Un plastered structures at Busembatia S.S.</p> </div> </div>
<p>Busalamu S.S. in Iganga District</p>	<ul style="list-style-type: none"> Busalamu S.S. received the 75,000,000/= for construction of additional classes. Construction of 2 classroom blocks of 2 classes each started in January 2008. By the time of the monitoring visit the structures had been roofed⁷, plastered and cemented. 2 pit latrines of 2 stances each for boys and girls respectively with provisions for children with disabilities had also been completed. <p>The team was informed that engineers from the district had observed defects on the floor and recommended that he rectifies them. However, by the time of the monitoring visit, this had not been done.</p>
<p>Kigandalo S.S. in Mayuge District.</p>	<ul style="list-style-type: none"> The school received the money around November 2007. The contract was awarded to ANNURA Enterprises Company. Construction started in February 2008. 2 classroom blocks each with 2 classes was put up. However, the

⁷ The contractor did not use coloured iron sheets for the roof.

	<p>structures are not fully completed. While both of them are roofed and shutters put, only one of them is plastered and has the floor done.</p> <p>Also 2 pit latrines each with 3 stances was constructed. Both pit latrines were roofed but not plastered and not cemented. The contractor argued that this is a hard to reach place and the work could not be done within the estimate of 75m. In addition all building materials had to be ferried from Iganga district.</p>
Lubani Senior Secondary School in Jinja District	<ul style="list-style-type: none"> The school received the money in December 2008. Construction of additional classes was awarded to Mutaka Technical Services and the work started in February 2009. By the time of the monitoring visit construction of the 2 classroom blocks with 2 classes each was at ring beam level. <p>It was however reported that pit latrines and provision of furniture were not included in the contract sum of 75,000,000=/. The contractor was moving on at a good speed and the quality of work was appreciated by the beneficiaries on the ground.</p>

It is evident from the above that construction of additional classes in USE overenrolled schools has been left incomplete in many schools. Contractors argue that estimate of Ushs 75,000,000= was made in 2005 but the cost of building materials have changed drastically since then. It can no long suffice to construct 2 classroom blocks with 2 classes each given the changes in prices of building materials over time. Many of them are willing to complete the work if MoES revises the estimates.

MoES should also expedite the process of releasing these funds to the identified schools so that construction starts. There is urgent need in these schools to provide additional classroom facilities because they are over crowded.

3.2.6 School Facilitation Grant (SFG).

The monitoring team noted that construction under the School Facilitation Grant (SFG) had started in most districts. Most of them were constructing classrooms and latrines or providing furniture in the prioritized schools in their respective work plans. In some districts work was nearing completion by the time of the monitoring visit. Most districts expected to finish their projects before the end of the Financial Year. However, a few districts were experiencing some problems are summarized in table 3.10:

Table 3.10: Status of SFG implementation in selected districts

District	Status of implementation.
Pader District	<ul style="list-style-type: none"> Pader District planned to construct 8 SFG schools this FY. These funds have been received by the district. However construction had not started by the time of the monitoring visit. This was attributed to the long procurement process for the SFG projects due to a number of reasons. <ol style="list-style-type: none"> First, there was no quorum for the procurement committee. The engineering assistant in charge of SFG was transferred and the new one didn't report. Two other members of the committee transferred their services to Amuru and Dokolo districts respectively and the DEO went to study at UMI. <p>By the time of the monitoring visit they had not signed any contracts with contractors though awards had been made. There were fears of not completing the work in time.</p>
Lira District	<ul style="list-style-type: none"> Lira District planned to build 6 SFG schools this FY. Contractors had delayed.

Luwero District	<ul style="list-style-type: none"> All desks had been supplied to the planned schools, all pit latrines and all the classes had been constructed and roofed. The district was able to construct within the unit cost.
Mpigi District	<ul style="list-style-type: none"> Mpigi District has 11 SFG sites this FY. Three of these are for classroom construction while 8 are for Pit latrines. By the time of monitoring visit, all construction was going on.
Isingiro District	<ul style="list-style-type: none"> The district is constructing 5 SFG schools this FY. By the time of the monitoring visit one of them (Kahirimbi P/S) had been completed. For the rest of the four schools work had just been contracted out and construction had not started.
Busia District	<ul style="list-style-type: none"> Busia District has Seven SFG projects this FY. Of these 2 schools are planned to receive 2 classes each with a head teacher's office and a store. Five other schools will be getting pit latrines. However, by the time of the monitoring visit, construction had not started. Due to delayed procurement process.
Tororo District.	<ul style="list-style-type: none"> Tororo district has 12 construction SFG sites this FY. Construction was going on in all the sites. Eleven schools were receiving 2 classes each while three were receiving 10 stances of pit latrines. Five other schools were receiving desks under the same program. The district had received 261m and was waiting for the balances. The district was getting problems with getting bidders for the supply of desks. By the time of the monitoring visits no bids for supply of desks had been awarded as all suppliers could not supply at 45,000/= per desk.
Pallisa District	<ul style="list-style-type: none"> Pallisa District has six SFG schools this FY for classroom construction. Each school will receive a 2 classroom block. Pit latrines of five stances each will be constructed in 2 other schools. By the time of the monitoring visit construction in five out of the six schools had started. No contractor had applied to undertake construction in the sixth school (i.e Osonga Primary School) and the district officials were handling it. Contracts were soon to be awarded for the construction of latrines.
Iganga District	<ul style="list-style-type: none"> Iganga District has nine SFG schools this FY. One of the schools will get 4 classes while each of the rest will get 2 classrooms each. By the time of the monitoring visit all construction had started and the district expected to complete all construction by June.

Challenges under SFG:

It was reported in a number of districts that contractors are shying away from supplying desks at a unit cost of 45,000=/. Therefore there is a need to revisit the unit cost for desks.


3.2.7 Development of Business Technical and Vocational Education and Training (BTVET)

According the MoES Progress Report for second quarter, funds were released to a number of BTVET institutions to renovate and equip the institutions. The monitoring team visited them to verify what the funds had been used for. The findings are summarized in table 3.11:

Table 3.11: Progress in BTVET institutions

Institution	Funds released to the Institution in Q2, 2008/09	Status of implementation
Rehabilitation of Nakawa Vocational Training Institute	250,425,000/=	Government fulfilled the counterpart funding for the whole financial year. The institute reported to have received 280,000,000/= in three releases this FY. The funds were for renovation of facilities including dormitories, lecturer halls, seminar rooms, libraries,

		kitchen and vehicles. All these facilities have been rehabilitated. Government of Japan has also been providing equipment to the institute
Fisheries Training Institute in Entebbe	40 million	Ushs 40 million had been received by the institution. The funds were used for purchase of furniture, stools for the laboratory, chairs for classrooms, library and computer laboratory and also procurement of some beds for the girls hostel. Reading tables and benches for the commons rooms in the girls hostels were also procured. They also procured filing cabinets as well as a photocopier.
National Meteorological in Entebbe Municipality-Wakiso District	6,474,000	According to officials in this institution, the shs 6,474,000 was NEVER received by the institution as reported in Q2 Progress Report and was not appearing in the bank statements. MoES needs to give an explanation of this issue. However, the institution had received other funds. For instance according to the bank statements in October 2008 they received Ush 25,048,000 which they used to procure 2 water tanks. Accountability for this money was submitted to MoES and a certificate for that accountability No 1937 was issued to them.
Amugu Agro Training Institute in Lira District	10,218,000/=	The funds were received by the institution and are reflected in their bank statements. The institution had relocated to Lira town 61 kms away during the insurgency. They only returned to the site in August 2007. These funds were to renovate some of the structures affected during the period of insurgency. The funds were used to re-roof 2 of the buildings.
Nyabyeya Forestry College in Masindi District		While Quarter 2 Progress Report indicates that shs 605,626,000 had been spent on completing phase 1 of hostel block at Mulago Paramedical, constructing of a Library block at Nyabyeya and renovation of Kigumba cooperative college. While the Mulago hostel had been worked on, Nabyeya Library and Kigumba cooperative college had no work done. The monitoring visit to the institution established that no money had been received at the institution, a fact that was latwe confirmed by MoES officials! The BoQs for the library is costed at shs 176,409,255, afigure that is being seen as inadequate already.
Rukore Community Polytechnic in Kabale District	9,057,500/=	The funds were received by the institute. They were used to install electricity at the institute and it is now fully connected to the National grid.
Kabale School of Enrolled Nursing	864m	Civil works started in Sept 2007 by Dott Services supervised by Kagga and Partners as well as MoES. By the time of the monitoring visit civil works were almost complete. Beneficiaries were satisfied with the quality of work. Classes had been renovated, 6 student hostels had also been renovated. 3 huge tanks of 6,000 litres each were installed.
UCC Tororo (Completion of Library block)	434,069,773	This project started way back in the 1990s and stalled at the foundation level. It was revived in 2007 and construction started in February 2008. The contract was

		<p>awarded to Nyandusi and Associates Company Limited for a contract period of 10 months. It is a two-storied building with 2 rooms on each floor and with offices and toilets on both floors. The building is now complete. The library can sit 400 students on both levels at any one time. The beneficiaries are happy with the quality of work done by the contractor.</p>  <p>Completed library block at Tororo UCC</p>
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These institutes complained about the policy that requires them to start paying their utility bills beginning this FY 2008/09. Nakawa VTI was for instance disconnected over a bill of 26,367,352/= . All of them conduct courses which require use of electricity.

3.2.8 Development of Primary Teacher Colleges (PTCs) and National Teacher Colleges (NTCs):

Construction and renovation of buildings at Kabale Bukinda Core PTC was being undertaken by M/s Pearl Engineering Services. At the time of the monitoring visit renovation of the library had been completed. Two laboratories with preparation rooms were being completed. Water and gas systems were being installed. 4 classroom blocks with 2 classes each had been constructed. Furniture for the new buildings had also been supplied. A new girls' dormitory had been completed. The Principals' and 3 staff houses had been roofed. A sick bay had been completed. 3 new boy's dormitories with bathrooms and toilets had also been completed. Work was starting on the renovation of departmental offices and walk ways. Leveling of the playgrounds and tarmacking of the access road were yet to be started.



A number of Primary Teacher Colleges (PTCs) also received TV sets, DVD players and educational materials on HIV/AIDs. These materials were meant to assist in the training of students in guidance and counseling. ⁸ .

⁸ These included Kabukunge PTC, Rakai PTC, Ibanda PTC, Buhungiro PTC, Kiyoola PTC, Kabale- Bukinda PTC, Kisoro PTC, Bundibugyo PTC , Bukiti PTC, Kamurasi PTC

It was reported that capitation of students in PTCs and NTCs needs to be revised upwards. Today, capitation is calculated at a rate of 1,500/= per student per day. The challenge is that often all this money is not released.

3.2.9 Development of Technical Vocational Education and Training (TVET) P7 Graduate Enrolling Institutions and Uganda Vocation Qualifications Framework (UVQF -polytechnics)

Kitagata Farm School in Bushenyi district was planned to receive Ushs. 180,250,000/= for construction of 2 workshops and 2 classes. By the time of the monitoring visit the institute had received Ushs. 96m and construction started on 15th February 2009 by Byaruhanga and Mbeine contractors. Construction of the classroom block with 2 classes was on ring beam level. Officials at the school were so far satisfied with speed and quality of work being done.






Construction at Kitagata Farm School

3.2.10: Presidential pledges:

Ushs 10bn was provided to implement the first phase of the Presidential pledges during FY 2008/09. These funds were remitted to the districts as SFG. Findings from the field visits indicated that apart from Nkoko Technical Institute in Mayuge District, construction for the other institutions under the Presidential pledges had not started (table 3.12).

Table 3.12: Progress of implementing the Presidential pledges

Institution	Status of implementation.
Masuulita Senior Secondary (Wakiso District)	<ul style="list-style-type: none"> Construction has not yet started. The cheapest bidder Mitala Technical services had quoted 257m yet the school was only getting 208m. However, by the time of the monitoring visit no agreements had been signed waiting for guidance from MoES.
Kirolo UMEA (Wakiso District)	<ul style="list-style-type: none"> Construction had not started though the money had been received by the district. The lowest bidder quoted 205,025,188/= while the school is getting only 151,400,000/=. The district was awaiting guidance from MoES.
Katonga Technical Institute. (Mpigi District)	<ul style="list-style-type: none"> The District has received the funds for construction of the institute. By the time of the monitoring visit the district had received 281m which was on the district collection account. Construction had not started by the time of the monitoring visit, since the district had not even procured the land where the institute will be constructed.
Buhweju Secondary school in Bushenyi District	<ul style="list-style-type: none"> Construction had not started as procurement was still ongoing.
Ngarama S.S.	<ul style="list-style-type: none"> Ngarama S.S had received Ush.194,481,847 and was still on their district account by

<p>and Kyeizimbire S.S. (Isingiro District)</p>	<p>the time of the monitoring visit. Construction for both schools had not started. The schools were asked to constitute procurement committees to handle the work. They had advertised locally at the sub county, in the trading centres and at the RDC's offices in Mbarara..</p> <ul style="list-style-type: none"> • District officials confirmed that Kyeizimbire S.S. and Ngarama S.S. had not started. They had both been instructed to drop the district contractors and contract locally using the Force account. The officials of the two schools had been taken to study the experience of Kyamate S.S that had constructed their school using the Force account.
<p>Nkoko Technical Institute in Mayuge District.</p>	<ul style="list-style-type: none"> • Construction of the Nkoko Technical Institute started in March 2009. The work was being done by Mugweri contractors and company. By the time of the monitoring visit, the administration block and two other lecture rooms were at the ring beam level. The Mechanical Vehicle workshop was at window level, while the carpentry and plumbing workshop was at trench level. Work on other structures had not started. However, construction work was progressing on well. <div style="display: flex; justify-content: space-around;">   </div> <ul style="list-style-type: none"> • Structures coming up at Nkoko Technical Institute
<p>Busede Senior Secondary in Jinja District</p>	<ul style="list-style-type: none"> • By the time of the monitoring visit, the district had received Ush 145,000,000 for construction of Busede S.S. However, construction of the school had not started. According to the Sub county officials the school will be built at the sub county headquarters. Ten (10) acres of land have already been set aside by the sub county for construction of this school. The team learnt from the district officials that the tender for construction of the school had been awarded to Kakembo Construction Company. <div style="text-align: center;">  </div> <ul style="list-style-type: none"> • Sub county chief showing BMAU team where the school will be put up.

3.2.11 Education Standards Agency (ESA):

Education Standards Agency (ESA) under the Directorate of Education Standards (DES) is the quality assurance arm of the Ministry of Education and Sports. ESA's mission is "To provide a rational system of setting, defining and reviewing standards and Quality of education and sports and to monitor the achievement of such standards and quality to ensure continually improved education and sports in Uganda." The National Headquarters of ESA is situated in Kyambogo, Kampala and is responsible for managing the national inspection programmes and is accountable and responsible for the management and financial planning of ESA. It also has 4 regional offices situated in Mbale, Gulu, Mbarara and Mpigi which are charged with the coordination of the region's contribution to the national inspection programme. ESA has trained associate assessors in almost all districts who work with ESA's staff on short term basis. These work with the District Inspector of schools to ensure quality of education provision in all schools.

ESA has to monitor the quality of teaching and learning in pre-primary, primary, non formal, secondary, BTVET and all institutions where learning is taking place apart from those under the National Council for Higher Education. They also have to monitor the quality of inspection as done by the associate assessors and the district inspectors.

This FY, ESA received Ush. 2.5bn for district school inspection. The monies go to local governments upon receipt of acceptable district inspection work plans. Districts also have to account for these funds to MoES through ESA. ESA also issued guidelines for inspection and trained all districts with support from Irish Aid.

During quarter one 2008/09, MoES through ESA released Ushs 454,232,974 as inspection grant to all the 80 districts and 12 municipalities in Uganda. All districts received these funds. However, reports indicated that in some districts some accounting officers delayed to declare these funds to the education departments. This therefore affected the progress of inspection for some of these districts. This implied delayed accountability and replenishment of funds for subsequent quarters. To mitigate this, ESA wrote to all accounting officers and the education departments indicating how much each education department was entitled to as inspection funds. The releases were also put in the print media. By the time of compiling this report all education departments in all districts and municipalities had received and accounted for the first quarter releases.

Most districts complained that the first release came late. Most districts reported receiving the funds in November and could not use them to inspect schools.⁹ There is a mismatch between releases and school calendars (funds released quarterly yet schools operate on term basis). In addition schools prepare their work plans based on terms and should be inspected at least once a term.

During quarter two 2008/09, MoES released Ush. 682,721,291, as Inspection grant to all the 80 districts and 12 municipalities in the country. The monitoring visit indicated that all districts received these funds. By the time of the monitoring visit, school inspection was going on using the above grant.

By the time of the monitoring visit, ESA was in the process of releasing the inspection grant for quarter 3 to all districts. This was budgeted to cost Ushs. 408,809,617=/. It was also noted that the fourth quarter release of 954,236,118=/. would be released in due course to enable the district education departments do their monitoring in good time.

ESA's recurrent budget:

This FY, ESA received Ush 1,384bn for non wage to take care of the centre and regional offices. From the beginning of FY 2008/09, ESA's funds were itemized and conditioned to specific activities. This meant that ESA had little room to address emerging priorities

⁹ During October schools are doing examinations and closed at the end of November.

as funds were tied to specific activities. Prior to this FY, ESA was using the subvention method to prioritize their activities according to available needs.

In addition, funds under the different items are so little and insufficient to cover the planned activities under the items. It was reported that most activities cannot be undertaken using the itemized funds; for example the annual allocations were: telephone communication Ushs 5,000, property expenses 1,000,000/=, civil maintenance 144,000/= to cover headquarters and regional offices. Therefore this has in a way constrained ESA's operations. There is a need to increase on funding to ESA to achieve the objectives of the agency.

District Inspection Grant:

All districts visited reported having received the School Inspection Grant both for the first and second quarter. All districts had received and accounted for the quarter one releases.

The key emerging issues for school inspection from districts visited by the monitoring team are summarized below:

- Text books are not in the hands of the learners in many schools. In many schools texts books are inadequate. Many rural schools do not have the relevant textbooks for the curriculum. Apart from the guides many schools lack text books for the thematic curriculum.
- Record keeping is a challenge in many primary schools.¹⁰
- Sanitation is a big problem in schools in many districts. Pit latrines in many schools had fallen in or filled up.¹¹ Districts do not have funds to construct new ones yet parents are not willing to contribute to put up latrines. Some districts are anticipating crises in schools due to poor sanitation. Many schools in Isingiro for instance, are located in water stressed areas and have no boreholes thus experiencing poor hygiene.
- The thematic curriculum is not taking off well in a number of districts. Very few private schools are implementing it. In some districts teachers missed the training due to poor mobilization. Half of the school population in many schools is from P1 to P3 yet only one teacher was trained per school. Some of the schools have 2 to 3 streams in lower classes which poses a challenge for the implementation of the thematic curriculum with only one trained staff. A number of schools did not receive thematic curriculum materials. Assessment of the curriculum is still a problem.

¹⁰ Mentioned in Mpigi,

¹¹ Mpigi, Wakiso, Masindi, Nakasongola, Luwero, Isingiro, Rakai, Busia

- Teachers' accommodation remains a big challenge in many districts.¹² Teachers travel long distances to schools. There are no houses for rent in many areas. Because of this late coming and teacher absenteeism is high. Abscondment of teachers was also linked to these hard conditions.
- Community participation in UPE schools is at its lowest in many districts. There is a lot of laxity by parents. According to them government should provide everything.
- Almost all districts reported the problem of absenteeism both of pupils and teachers.¹³ This problem is reportedly high in the afternoons and was linked to lack of feeding in schools. Absenteeism is reportedly high in pastoral areas. In other areas it is high on market days and in harvesting seasons.¹⁴
- There are many primary schools with no infrastructure at all and with pupils studying under trees. Pader district has 43 primary schools under trees. This makes it difficult for teaching and learning to take place during wet seasons. There are also many schools whose infrastructure is in very bad shape. Nakasongola district for instance has five schools with collapsed latrines and two other schools whose roofs were blown off. In Pader district most schools have no desks and pupils sit on floors.¹⁵
- Many private schools are neither licensed nor registered. Many such schools are employing unqualified teachers who are burdened with heavy workloads. This leads to inefficiency.
- Some schools constructed under SFG are not standard. Some of the classes cannot sit 40 students conformably for exams!
- Many teachers do not make schemes of work and lesson plans. Schemes of work and lessons plans seen by inspectors were shallow and not dated. Many teachers were found teaching from text books! Many head teachers are not giving support supervision to their teachers¹⁶ and some of them are not committed.
- Feeding in almost all districts was mentioned as a problem. Very few pupils carried lunch. It was also linked to pupils' and teachers' absenteeism particularly in the afternoons.
- Drop out rates especially of the girl child is high.¹⁷ Unfortunately most schools do not have records on drop outs and do not follow them up. There are variations in student enrollment for the beginning and end of year figures in many schools.

¹² Mentioned in Lira, Pader, Mpigi, Nakasongola, Luwero, Kabale, Mbarara, Rakai,

¹³ Mpigi, Wakiso, Nakasongola, Luwero, Kabale, Bushenyi, Rakai, Tororo, Pallisa, Iganga, Jinja

¹⁴ In Jinja district it was high in sugar growing sub counties of Busede, Buyengo, Buwenge and Kakira. It was also reportedly high in Butagaya a maize growing sub county particularly during harvesting times.

¹⁵ Mentioned in Pader, Lira, Ibanda

¹⁶ Mentioned in Lira, Pader, Rakai

¹⁷ Mentioned in Masindi, Pader, Mpigi, Mayuge, Jinja

- The district ceilings remain low for a number of districts. MoES has not lifted the teacher ceilings for a long time.¹⁸ This makes it difficult to post teachers. Yet the ceilings for some districts have been reduced.
- Time tables are not well adhered to in a number of schools partly due to inadequate staff.
- Retention of teachers in some districts and in hard to reach parts of many districts remains a challenge. Pader district for instance has 169 vacancies of teachers to be filled. Teachers in districts affected by the insurgency are also traumatized and do not have morale to teach. Rehabilitation of minds both of pupils and teachers in districts affected by the insurgency remains a key challenge.
- Co-curricula activities are not planned for in many schools.
- Continuous assessment is still a problem considering the increased numbers of learners vis a vis the numbers of teachers.
- There are many cases of teachers who have not accessed the payrolls of schools especially after transfers.
- Poor performance in UPE schools is linked to a number of problems. This includes not completing the school syllabi partly due to inadequacy of teachers in schools, late coming/absenteeism also linked to absence of teachers' accommodation coupled with weak administration in schools.

Inspectional challenges:

- There are problems with inspector-school ratios. Officers are thin on the ground. It is difficult to inspect 100 % of all the schools.
- Some districts are not writing quality inspection reports. Some reports were said to be shallow and not bringing out real inspectional issues. This means that there are capacity problems that should be handled in due course.
- Many of the district inspectors do not have computers in their offices to enable them write their reports.
- The monitoring tool is too long and some questions are repeated.
- Within inspection there are emergencies such as strikes and fire outbreaks. Sometimes there are pronouncements by His Excellency and other politicians which have to be attended to as issues of quality and standards which were not planned for.
- Inspection of schools in hard to reach areas remains a big challenge. The education departments of many districts lack transport.
- Many districts did not budget for the education departments and they have to wait for this grant.
- It was reported that the relationship between Directorate of Education Standards and MoES has improved and that they are very supportive. The only challenge is action on the inspection reports.

¹⁸ Mentioned Nakasongola. For Nakasongola the ceiling was reduced from 1208 to 1158 to be distributed in 142 schools, Kabale

3.3 Energy

3.3.1 Introduction

The monitoring team reviewed Hydro Electricity Power plants (Bwindi, Ishasha and Buseruka); and GTZ institutional solar energy installations in Kayunga, Masindi and Jinja districts.

The following criteria were used to select projects for monitoring during the quarter:

- Project had planned activities for the third quarter FY 2008.
- Projects recently completed and about to be handed over to GoU.
- Projects with in close proximity to another energy project in the area.

Shortcomings of the Report

A number of key documents were not accessed¹⁹ by the monitoring team such as bank statements, memorandum of understanding (MOU's) and other financial reports. As a result some data in this report are provided in verbatim with no documentary evidence seen.

Challenges faced during field work

The GTZ solar energy institutional installations were by project selection criteria in remote areas. They were in locations away from the highway, accessed by community roads which were in bad condition. Furthermore there were no sign posts providing guidance to these institutions. Consequently the team had difficulty in locating the health units.

Some district officials were suspicious of the monitoring team and therefore accessing documents took time. Furthermore, there was poor data collection and management. It was difficult to establish the dates of solar installations because files were misplaced. Additionally, data on deliveries, vaccination coverage and staff motivation was not collected routinely and yet these were the key performance indicators upon which the impact of solar panels was to be measured. In most cases the team found that the health unit in-charge was not at station, despite the teams visit being within working hours. The staff found at station did not have access to the required information.

¹⁹ Most institutions that are implementing energy projects are private sector and do not easily divulge financial information

3.3.2 Bwindi Mini hydro electricity power (HEP)

Background

Bwindi mini hydro plant (MHP) is a future renewable HEP station with an installed capacity of 64 kW (0.64MW) situated on Munyangwa river. It is designed to be an independent network that will supply Buhoma village near Bwindi Impenetrable National Park in Kanungu district with electricity. This includes approximately 60 households, a number of SMEs, a health centre and a school. In a second phase, the grid may be extended to connect more households. The power plant will be operated by a community-based company called Bwindi Community Micro Hydro Power Ltd, with an elected management committee. This company is expected to recruit three staff for day-to-day operations.

The site was initially identified by UNIDO as part of a 2-phase project in 2005. The first phase included the installation of a photovoltaic (PV) system at an internet café. UNIDO identified the site, did a preliminary design and started mobilizing the community in 2005. The initial plans were further developed by local consultants working for the Energy for Rural Transformation (ERT) project who approached GTZ for support. In March 2007, GTZ agreed to support the project, conducted socio-economic and topographic surveys, did the detailed design and obtained approval from the National Environmental Management Authority (NEMA) between March and October 2007. Some of this was done with local service providers, e.g. the topographic survey. The international tender for the procurement of the turbine was launched in April, and the tender for the civil works was launched in May 2007. GTZ- promotion of renewable energy and energy efficiency programme (PREEEP) assisted the community in setting up the committee and registering the company, and will build its capacity to operate the plant in a sustainable manner. The households that will be connected will pay a connection fee of UG shs 350,000 each, and Bwindi hospital is committed to contribute UGshs 10 million.

The construction site was to be handed over to the selected bidder in September 2007, and construction was expected to start at the beginning of October 2007. A consultant from GTZ was assigned to closely follow the construction process. It was planned that the MHP would become operational by May 2008.

Findings

In September 2008, GTZ/ energy advisory project (EAP) awarded SAMKA a Ugandan based firm the civil construction works including the transmission and distribution lines. A GTZ consultant was assigned to closely supervise the contractor SAMKA since this was the first hydro project under taken by the contractor. The site was handed to the contractor in September 2008 and construction began in October 2008. GTZ/EAP procured the turbines, gates, penstock and other electrical mechanical equipment through

international bidding. Procurements of penstock pipes and electric mechanical equipment is completed. The gates are in storage in Bwindi, while the turbines and penstock pipes and other electrical mechanical equipment are in storage in Kampala awaiting completion of civil works.

The project is a community project, therefore all the materials that could be purchased locally have been purchased locally. All the skilled and semi-skilled labour required was acquired locally. The contractor was required to use the local community groups which had already been formed during previous programmes to undertake the un-skilled works. There was also a requirement to be gender sensitive and employ both men and women.

The project dam and channel is within the Bwindi forest which is the property of Uganda Wild life Authority-(UWA). Uganda Wild life Authority after prolonged negotiations and with many conditionalities availed the land to Bwindi HEP project. The power house and penstock are on land owned by National Forest Authority (NFA) which availed the land after protracted negotiations. The transmission lines and distribution lines transverse community and privately owned land. The community were required to purchase the land from the various land owners and hand it over to the project. This has been completed and all land required is secured by the project.

The community was required to raise connection fees from the individuals and institutions that shall be connected to the network. To date 6 entities have paid the complete connection fees and several others are about to complete payments. To date there is over 10million on the community project account from various community sources. The hospital is yet to make its shs 10 million contribution. Detailed progress is give in table 3.13.

Table 3.13: Progress of Works under Bwindi HEP

No	Description of Works	Percentage of Total Works	Annual Target June 2009	Actual to Date March 2009	Comments
1	Preliminary Surveys	1%	95%	90%	There is continual redesign required due to the topography and water table.
2	Dam , Intake and Weir	10%	100%	90%	It is progressing well
3	Channel and Forebay	62%	100%	70%	Works progressing on well.
4	Procurement of Turbines and other	18%	100%	80%	All procurement completed. Equipment in stores in Uganda only

	electrical mechanical equipment.				awaits civil works completion. Then shall be delivered to site
5	Penstock	4%	100%	5%	Penstock pipes in storage. Await civil works
6	Power House	4%	100%	40%	Excavations and foundation complete. It was delayed by occurrence of large boulder.
7	Transmission and distribution lines	3%	80%	2%	Surveys complete and all project land acquired.
	Total	100%	95%	60%	Progress is fairly good

At the time of filing this report 60% of the total project was completed. Civil works have commenced and are progressing but behind schedule. The completion date has been shifted from the revised May 2009 date to June 2009.



Construction works in progress at Bwindi mini HEP

Challenges to Bwindi HEP Implementation

The project is located in an environmentally sensitive area of Magahinga/Bwindi Forest home to the famous Mountain Gorrillas and also on in National Forest land and on very densely populated community land. The project land acquisition was delayed because UWA and NFA land boundaries were not clearly demarcated and therefore the project had to stall till the boundaries were defined.

Due to the sensitivity of the gorillas the construction company was given very stringent conditions by UWA which included, not using equipment that would make noise and scare for the gorillas. Therefore obstacles such as boulders had to be broken manually since dynamite was too noisy. Trees had to be cut down by axe and or hand saw. The contractors were not to use any of the forest products for construction works including timber and boulders, they were to leave them on the forest floor. When the gorillas approach the construction works, works is to stall to avoid disruption of this prime species.

There were a lot of rocks and boulders along the channel, penstock and powerhouse sites. These had to be removed manually and were time consuming. Upon excavation of the powerhouse foundation a large boulder was discovered. This took over 3 months to extract manually. In certain cases the rock outcrops required redesign of the constructions.

The dam and channel are situated in dense tropical forest. There are a lot of small streams and these have to be diverted. They constantly fill the excavated floor with water which has to be drained prior to construction. There are frequent rains and during the rainy season it may rain the entire day and this slows down the progress on works. Munyagwa river has several tributaries that feed into it. These tributaries are seasonal and lead to fluctuating river heights. The dam area is prone to flash floods. In the flood time the river can rise to four times its height. On a number of occasions during the construction works the river levels have raised to great heights and flooded the construction works.

A number of required construction materials are not available locally (with in the village) and have to be ferried from long distances. Aggregates have to be purchased and ferried from Kasese which is 160kms away and burned clay bricks from clay pits in Kabale ,90kms. The cost of ferrying these materials is prone to fuel fluctuations.

The topography of the land is particularly challenging. The dam and channel are situated on a very steep hill. UWA did not permit the contractor to construct roads on the land. Therefore materials are deposited at the site base and have to be manually transported over 2 kms to site works.

The above mentioned challenges have led to cost overruns and time delays. The project was due to be commissioned in June 2008. It is now due to be commissioned a year later June 2009.

UWA the entity that availed the land to the HEP project is in process of constructing a number of infrastructure including offices and staff houses. It assumed it would be able to access electrical power from the Bwindi HEP. When it approached Bwindi HEP it was informed that they were not considered in the design and the power generated was not sufficient to supply them all generated power would be consumed by the community, which UWA has taken as an insult.

Recommendations

GTZ/PREEP and SAMKA contractors should undertake all measures to ensure that the project is commissioned in June 2009. The project is already a year behind schedule. The anticipated heavy rains may further exacerbate the situation.

Concerted effort is required to mobilize the community to raise the funds for connection fees. To date only 6 out of the 60 planned households have completed paying their connection fees. The hospital should also be reminded of their commitment to raise 10million as co-funding to the project.

3.3 3: Ishasha Hydro Power Project

Background

Ishasha Small Hydro Power Project is a renewable Energy Project located on River Ishasha in Kanungu district. The scheme is a run of the river project planned to generate 5.8MW of electricity to the Kanungu and Kahoma grid. The project will also construct 7KM of 33KV transmission line which shall feed the HEP generated electricity to the Kanungu grid. The project consists of a dam (reservoir dam) across the river, a 1.5 Km power canal along the contour, a 100 meter drop penstock and a generation power house. It includes some infrastructure such as offices, housing estate for staff and a 2.1km project access road network.

Objectives

The project aims to increase the level of electrification in Kanungu, Rukungiri and Kabale districts and thereby accelerate the economic development in the area. It is hoped that the investment will encourage rural development by energising rural enterprises and the service sector. It is intended to reduce the areas' dependence on biomass energy and thus reduce environment degradation.

Expected benefits from the project among others include: increased electricity generation and coverage, improved national grid stability, improved service delivery in areas like education, health and water, improved productive use of energy especially among the tea industry in Kayonza, and household lighting and stimulus to cottage industries. All these activities are expected to increase revenues and service delivery for the local population and therefore improve the quality of life of the people.

Findings

In November 2007, GOU/ Electricity Regulation Authority (ERA) awarded Eco Power Uganda ltd a Ugandan based firm but subsidiary of Eco Power Global (Sri Lanka) the concession to develop a 5.8MW HEP station at Ishasha to generate 5.8MW of power onto the Kanungu grid. The power will be sold to Uganda Electricity Transmission Company ltd (UETCL) through the Rural Electrification Authority (REA) under a 30 year build, own, operate and transfer (BOOT) Power Purchase Agreement. The HEP station is estimated to cost approximately US\$ 10 million and the transmission lines US\$

400,000. Eco Power is in the process of acquiring loans from various banks. At present Eco Power Uganda is utilizing Eco Power Global (Sri-Lanka) equity to finance the project. The HEP plant is planned to be commissioned in April 2010.

Eco Power Uganda is using in-house staff for construction works. It's attempts to subcontract the works to local Ugandan contractors was aborted due to the high asking price and relative in-experience in hydro dam construction works. Local firms were bidding to undertake the works at the average cost of US\$ 500 per cubic meter, while Eco-power could undertake it in-house for US\$ 290. Eco Power Global claims to have vast experience from construction of over 15 HEP dams in Sri-Lanka. The main challenge was redeploying staff from other projects abroad to Uganda.

According to the project manager contracting in-house has been advantageous not only in terms of finances but also in terms of decision making. There has been a lot of redesigning of works which have budgetary implications. If works had been contracted out it would have required contract renegotiations and consequently time delays. In-house contracting negates these redesign and negotiating issues since they can be resolved by only a phone call.

At time of reporting, all procurement and works are under way and progressing simultaneously.

Ishasha HEP civil works began in June 2008. Works is proceeding and only slightly behind schedule (one month behind schedule). The works so far executed are approximately 40%. There are five sections of the civil works. The access road network, dam (reservoir), power channel, penstock and the power house, infrastructure. (See table 3.14 below).

The company in a bid to have a buy-in from the community has resorted to utilising manual labour wherever possible. On the construction of the 2.1 kms of road ,manual labour is being used. This was more costly in terms of both financial as well a time. It took five months to construct the roads manually instead of the 1 month it would have taken using machines. It however employed 100 local persons.

The company has also procured over 100 metric tonnes of handcrushed 'white stone' aggregates and 100,000 fired clay bricks from the community. The company is currently renting housing and offices from the community. The LC1 chairman of Kyajanga village where the project is located is also the site supervisor and assists the company to hire and manage local labour. Over 70 local persons have been hired as semi-skilled workers in the carpentry shop and for civil works. Over 40 of these have been trained on the job. This has endeared the company to the community.

Table 3.14: Progress in Ishasha HEP

N o	Planned Activity	Works Description	Percentage of Total Works	Annual Target %	Actual %
1	Preliminary Surveys and land acquisition	Survey of project land and acquisition of project land for HEP power station.	5	100	60
2	Procurements of Hydro-mechanics	Specifications, tendering and shipping of turbines, penstock, gates and valves.	10	100	50
3	Power House	Construction works of power house and tail race.	10	10	1
5	Penstock	Installation and civil works	20	20	2
6	Canal and Head Race (Canal)	Excavation, blasting, construction of concrete walls	30	70	10
7	Dam (reservoir)	Construction works	10	70	2
8	Transmission lines	7KMs of 33KV transmission line.	1	0	0
9	Infrastructure	Project access roads and housing estate.	1	100	70
10	Auxillary works.	Grass and tree planting etc	0.5	0	0.5
	Total		100%	65%	40%



Construction works on penstock at Ishasa

HEP

Challenges

The major challenge to the project has been land acquisition. In January 2008, the company hired a Ugandan consultant to acquire the project land. The consultant fraudulently took 10 million shillings of the company funds and migrated to Congo. The project land was community and private land that had never been surveyed or titled. Therefore the company had to begin afresh by verifying land ownership, surveying, titling and compensating bonafide claimants. The main challenge is that there are a number of fraudsters claiming ownership and therefore many land disputes. Furthermore the Kanungu Land Board was inert for over a year due to lack of two members, who were only recently approved by Uganda Land Board. Kanungu district granted Eco power permission to continue works pending land acquisition. However, Eco power requires the land titles as a pre-requisite to reach financial closure with its lenders.

URA offered the company tax waiver however the terms are not clear. For example all goods were tax exempted but when the company imported staff vehicles they were informed that 'goods' did not include passenger vehicles. Eco power suppliers were not included in the waiver and a number of suppliers have refused to supply the goods tax free; including Tororo Cement and the stone quarry companies. When Eco power applies for tax refunds from URA, URA refuses to refund stating that Eco power should not have paid the tax in the first place because it had a waiver. This has led to cost overruns.

In order to achieve economies of scale the company requires to have at least 2 projects running concurrently, in order to get maximum benefit from expatriate staff and project machinery. However, Eco-Powers attempts to secure another power project concession with ERA have so far been unsuccessful.

There have been a number of thefts of project construction material especially cement and fuel. Most of the thefts are from employees of the company and community.

Stone for aggregates is not available locally and has to be purchased from Kasese and Mbarara over 130kms away. This is expensive and is prone to price escalations due to unstable fuel prices. Blasting works have been delayed because of lack of air compressors locally. The company assumed that they could be purchased locally but they found they could not. One has therefore been ordered from Sri Lanka. It has however led to stalling of blasting works.

Rains disrupt construction works and destabilizes the soils. Due to excavation works there are land slides and stones can harm workers.

Recommendations

1. MoF, MEMD, URA and Eco Power should hold high level meeting and resolve the issues of tax waivers.

2. Eco Power, Kanungu Land Board and NEMA should speed up the process of land acquisition of the project site. Eco Power acquisition of titles of ownership of project land should be finalized.
3. Eco Power, Police and the sub-county Local Government should work together to improve the site security.
4. ERA should secure the land titles of HEP dam sites as well as tax waivers before awarding concessions.

3.3.4 Buseruka Hydro Power Project

Buseruka Hydro Power Project is a renewable energy project located on River Wambabya in Buseruka Sub-county, Hoima district. The scheme is a run of the river project planned to generate 9MW of electricity; 8 MW of which will be fed onto the main grid along a 46km, 33KV transmission line. An independent network shall be established along the transmission line to feed 1MW of the generated energy. The project consists of a 30 meter weir (reservoir dam) across the river, a 1.5 Km power canal along the contour, a 200 meter drop penstock and a generation power house. It includes some infrastructure such as offices, housing estate for staff and a road network.

Objectives

The project aims to increase the level of electrification in Hoima district and town council (planned to be a municipality, the ‘Oil City’) thereby accelerating the economic development in the area. It is hoped that the investment will encourage rural development by energising rural enterprises and the service sector. It is intended to reduce the area’s dependence on biomass energy and thus reduce environment degradation.

Expected benefits from the project among others include: increased electricity generation and coverage, improved national grid stability, improved service delivery in areas like education, health and water, improved productive use of energy especially among the tea and fisheries industry in Tonya, household lighting and stimulus to cottage industries. All these activities are expected to increase revenues and service delivery for the local population and therefore improve the quality of life of the people.

Findings

In November 2007, GOU/ERA awarded Hydromax Ltd a Ugandan based firm the concession to develop a 9MW HEP station at Buseruka to generate 8MW of power onto the main grid and supply and distribute 1MW to an independent network in Buseruka. The power will be sold to UETCL and fed to the main grid under a 30 year BOOT Power Purchase Agreement. The HEP is estimated to cost approximately US\$ 27 million and is to take 22 months to construct. Hydromax is in the process of acquiring an African Development Bank and PTA Bank Nairobi loan of US\$ 19 million to finance the project and the balance will be raised from Hydromax equity. The HEP plant is planned to be commissioned in November 2009.

Hydromax has sub-contracted five contractors to execute the work. All contracts have commenced and contracts are running concurrently. By the time of reporting 45% of the total project was completed. Civil works have commenced and are progressing on schedule. Procurements of penstock in progress and penstock materials are in Mombasa. Turbines are under construction in India and are to be shipped by June 2009. Details of share of works are in table 3.15.

Table 3.15: Company share of works under Buseruka HEP

Description of Works	Percentage of Works	Company
Civil Works (Dam/wier, Power channels, fore-bay, penstock, power house, infrastructure)	69%	Dott Services
Electrical Mechanical (turbines)	15%	Flolvel India
Hydro Mechanical	10%	Sigma India
Transmission Lines 46kms to the main grid	5%	Hydromax
Independent Network	1%	TATA Consulting Services

Buseruka HEP civil works began in March 2008. Works is proceeding and only slightly behind schedule (one month behind schedule). The works so far executed are approximately 40% (see table 3.16 for details). There are four sections of the civil works. The dam (reservoir), power channel, penstock and the power house, infrastructure.



Construction works on Buseruka dam and blasting works on canal path.

Table 3.16: Progress of works in Buseruka HEP

No	Planned Activity	Works Description	Quarter Target	Annual Target	Actual Works Done
1	Preliminary Surveys	Installation of permanent Bench marks, contour survey, river survey, Dam Axis and Power house site.	100	100	100
2	Preliminary Design Works	Design Concept note, setting up camp and mobilization, civil works Preliminary documentation.	95	100	95
3	Procurements of Hydro-mechanics	Specifications, tendering and shipping of turbines, penstock, gates and valves.	50	80	50
4	Power House	Construction works	0%	100	1%
5	Penstock	Installation and assembling	10%	80%	0%
6	Head Race (Canal)	Blasting, construction of concrete walls	80%	70%	80%
7	Dam (reservoir)	Construction works	20%	80	0%.
8	Transmission lines	46KMs of 33KV transmission line to Hoima sub-station.	0%	70	0%
9	Independent Network	Construction a step-down transformer Construction of distribution lines for 350 connections along the transmission line.	0%	0%	10%
10	Infrastructure.	Housing estates and roads	40%	100%	35%
	Total		50%		45%

Tullow oil a petroleum prospecting company has a number of test drilling sites at the base of the rift valley further a field from the construction site of Buseruka HEP. For ease of transportation of drilling equipment, Tullow oil upgraded the 46km road from the Hoima-Kigorobya junction to Buseruka (site of the HEP dam), down the steep escarpment to the rift valley floor (over 60kms) to first class murrum surface. This has been a big bonus to Hydromax and Dott Services. It eases their transportation to Hoima town and to the site of the power house and residential estate.

Challenges

1. The major challenge to progress on civil works is that an erroneous geological survey was submitted to the civil works contractors. The survey reported that there was few rock outcrops along the area for excavations. Upon commencement of excavation works it was discovered that there were large sub-terrain rock outcrops. These rocks require blasting hence the importation of large quantities of explosives, contracting explosive experts and blasting works, consequently leading to cost overruns and time delays.
2. A number of land disputes have arisen over ownership of the land for the project area. When Hydromax applied for the license from ERA, they were informed that the land on which the project area lies was communal grazing land and therefore land compensation issues should not arise. However, upon surveying the land and submitting applications for land titles to Hoima District land board and Entebbe Mapping department, progress of acquisition of land titles was halted due to two 'purported' land owners, who had recently acquired the land. Hydromax had no recourse other than to compensate the two 'landowners'. These compensations were not planned for and therefore led to cost overruns. Furthermore, when construction of the works commenced two huts were constructed on the boundary line of project area. The owners are now claiming compensation. The main challenge is that their locality predisposes them to dynamite explosion debris and they are in line of heavy trucks turning that may knock down their buildings. Their livestock graze on the project area and may be killed by trucks or dynamite explosions. The main challenge is by compensating them the company may set precedent to other 'squatters'.
3. Hydromax is yet to reach financial closure with ADB and PTA Nairobi Banks for the USD\$19 million loan. The delay is due to an additional precondition set by the Banks that Hydromax must present land titles that indicate ownership of all the project land for the period of the project operation. The above mentioned land disputes are exacerbated by the fact that the NEMA claims ownership to the project land by virtue of the land being within 100meters of River Wambabya a prime river feeding the Albert-Nile. Therefore only occupational permits can be issued by NEMA. The first permit issued is for 5 years; thereafter the company can apply for a second permit for 25years. Delay to reach financial closure is causing Hydromax financial stress that may result in delays in project completion and hence commissioning.
4. URA is demanding 0.5 percent of the US \$19 million loan (USD \$125,000) as stamp duty. This tax element was not incorporated in the total project cost. Therefore if paid out, shall lead to project overruns and financially strain Hydromax who have applied for a tax waiver but it is a long timely process.

5. There have been a number of thefts of project construction material especially fuel (that constitutes 90% of thefts). Most of the thefts are from employees of the company. Dott services have taken a number of measures to tighten security in the area.
6. The topography of the project site is particularly challenging to construction works. There are project works located on the edge of the rift valley. Consequently, there are extremely steep slopes with gradients of over 60% along which the penstock and the road leading to the power house and housing estate (on the rift valley floor) run. This renders transporting of materials to these construction sites an almost acrobatic feat.
7. Uganda is a land locked country. Therefore all importations have to come through the neighbouring countries ports and travel for long distances to Buseruka. A number of construction materials are to be imported from India and the process is not only time consuming but also expensive. This problem is particularly pertinent for unplanned imports as was the case of dynamite to blast stone.

The above mentioned challenges have led to project cost overruns and delays. As a result the planned commissioning date has been shifted to January 2010 from November 2009.

Recommendations

- MoF, MEMD, URA and Hydromax should hold high level meeting and resolve the issues of tax waivers.
- Hydromax, Hoima Land Board, and NEMA should speed up the process of land acquisition for the project site
- Hydromax, Dott Services, Police and Buseruka Local Government should work together to improve the site security.
- ERA should secure the land titles of HEP dam sites and tax waivers before awarding concessions.

3.3.5 GTZ Energy Installations in Masindi, Kayunga and Jinja

Introduction

Ministry of Energy with the support of German Technical Cooperation initiated the Energy Advisory Project (EAP). The project began in June 1999 and was due to be completed in June 2008. The overall objective of EAP was to improve access to modern energy services and the efficient use of energy. In June 2008 the project was transformed into the Promotion of Renewable Energy and Energy Efficiency Programme (PREEEP). A number of activities under the EAP are yet to be completed and have been rolled-over to be completed under the new project PREEEP.

EAP institutional solar systems were installed in health and education institutions in the eight districts of Masaka, Rakai, Mukono, Jinja, Isingiro, Kyenjojo, Kayunga, and Masindi. This monitoring activity focused on the solar installations in the three districts of Masindi, Kayunga and Jinja.

Findings

The EAP was highly centralized. The procurement of contractors, payments, supervision and certification was done directly by EAP. The district officials input was merely statement of requirement, objectives, selection of the beneficiary institutions and reporting on impact. Furthermore, the district officials from the various districts never met each other for cross-fertilisation of ideas on the EAP.

There were variations in objectives, outputs and achievements in the three districts. Hence the findings for each district are presented separately.

(i) GTZ Energy Installations in Masindi

There were two types of institutions that benefited from GTZ solar Energy installations; schools and Health Units.

(a)GTZ Energy Installations in Masindi (Education)

GTZ selected two schools to benefit from solar energy packages both serving refugee populations and were non- GOU supported schools. The schools were Hope North Vocational School and Panyandoli Secondary School.

1. Hope North Vocational School

Background

Hope North Vocational School²⁰ is a resettlement school camp. It caters for students that have been affected by the Kony insurgency, currently totaling 210 with 16 teachers. It is a secondary school with classes from S1 to S6 for humanities and science subjects, as well as a vocational school providing training in baking, carpentry and joinery; and bricklaying.

Previously the school used candles, pressure lamps and a generator for lighting. The light was insufficient for reading and the generator, kerosene and pressure lamps were expensive to maintain. All the staff houses and administration blocks were grass thatched and occupants lived in fear of fires given the rampant use of candles.

EAP was approached by the school board to assist the school through provision of solar energy. EAP conducted a research and assessment of the school energy needs in 2006.

²⁰ The school is a charity, not for profit with all students on scholarships dependent on donations from Netherlands and America.

Objectives for the solar energy package

The package was aimed at improving security at night on the school campus particularly for the girls by providing lighting; as well as enabling students to read at night.

Findings

The solar system was installed in November 2007. All classrooms, dormitories and teachers houses were connected to the solar system and provided with lighting. Security lights were also installed on all buildings. Five AC/DC sockets were also connected onto the system. The total cost of the solar installation was Ug shs 19,951,434. EAP met 80% of this cost, while 20% was co-financed by the school that raised the money from well wishers.

The solar system is functional and operational. The only time it is problematic is in the rain season and on cloudy days when the power supply is disrupted. The solar power is used for lighting in buildings, security lighting, charging mobile phones, radio and for powering a computer and printer.

Two teachers and two student prefects were trained by the installation company staff on the maintenance of the solar system. These teachers and students have trained others on how to maintenance of the system.

Impacts

The impact of the solar system can be gauged by the following statements made by the staff of the school.

Box: 3.4: Impact of the solar system as seen by the beneficiaries

“It has attracted other donations like computers, we are now planning to offer computer classes for our students.”

“We can now type and print examination papers on the computers, before we had to take them to town 6kms away for typing and printing.”

“There is improved security, especially for girls who are traumatized and fear that they will be attacked again.”

“We have saved on the expense of candles, batteries and kerosene for lighting.”

“We sleep in grass thatched houses, (with candles) you fear you may doze off and set the hut on fire.”

“The solar system is a teaching aid for Physics classes.”

“Taking it (solar-system) away is like hanging us, alive.”



Girls dormitory lit by solar system.

Challenges

The main challenge is that the provision of solar system has attracted donations from several supporters of electrical gadgets like, computers (5), printers, TVs and radios. Most of these gadgets though much appreciated and indeed required cannot currently be utilized because of the high load they put on the solar system.

Recommendations

1. There is need to provide additional panels and batteries to increase electrical generation.
2. There is need to improve the security of the solar panels by provision of a fence around the compound, construction and installation of metallic security frames on the solar panels.
3. Need to introduce other energy saving devices. In particular provision of institutional energy saving stoves and cooker for cooking and baking.
4. Need to plant trees as a source of bio-mass energy and as windbreakers to protect the solar system.



Three stone stove and electric dough mixture, all non-energy efficient cooking equipment used by the school.

2 Panyandoli Secondary School

This is a private secondary school in Panyandoli, Kiryandongo. It was established by the IRC and UNHCR in 1998 to serve the refugee population in the area. The school has over 400 students and more than half are boarders. The school is over 10kms from the main grid. Previously the school was given financial assistance by UNHCR and IRC for operation and maintenance including the generator for lighting. However, UNHCR and IRC have since 2008 ceased to support the school.

Findings

The school management approached EAP/GTZ in 2006 to assist with the provision of energy to the school. In 2007 a team from EAP carried out an energy needs assessment for the school. They promised to provide a solar system for lighting and operating computers, photocopiers and TVs. **To date there is no solar system at the school.**

(b)EAP Institutional Solar Energy Installations in Masindi (Health)

Masindi District was selected by EAP as one of the districts to benefit from renewable energy packages from EAP. The Director of District Health Services (DDHS) was requested to select health units in the district that were remote and had no access to renewable energy to benefit from the EAP energy programme. Fourteen Health units were selected.

The selection criteria included degree of remoteness; distance from the grid; and absence of renewable source of energy in the Out Patient's Department (OPD) or staff houses.

The fourteen health units were Diima, Kikungura, Mihembero, Yabwengi, Kitwara, Kilanyi, Diika, Kaduku, Kibwona, Kyamaiso, Mpumwe, Biizi and Kasenene. Panyandoli HC was later added to the list. It was selected by EAP as a special case. It was formerly UNHCR and IRC operated health unit that caters for the refugee population in the vicinity. However, by the time of the teams visit the solar system was not yet to be installed.

Objectives of solar installation in Masindi Health Centres

The package was aimed at improving staff retention and motivation by provision of energy in place of work and residence; improving security in the Health Units especially at night; and providing remote health units with a renewable energy source.

Findings

Solar PVC systems were installed in nine health units between April 2007 and December 2008. They were installed by Energy Solar Systems. The total cost of EAP Solar PV installations in Masindi district was ug shs 103,777,000. Masindi District co-financed 20% of this cost.

The DDHS reported that the project had achieved its objectives. The health staff in these units are motivated by the lighting and energy provided by the solar system. They were able to charge phones and play their radios. This has lifted the staff morale.

Box 3.5: Impacts of the solar system in Masindi health units as seen by medical staff

Positive impacts

“Solar has assisted very much, in case of sickness at night.”

“We now feel secure at night going to attend to a patient or going to the toilet”.

“We no longer have to request the patients to provide kerosene before being attended to”.

Negative impacts

“We need to change the location of the water tank. The security light at night attracts insects which fall into the water and make it dirty.”

“The community says this is our thing, we must charge. When the door is left open you find phones charging on the socket.”

In one health centre the team found over six phones charging. They were informed that the porter had ‘created’ a phone charging business and would charge the community to charge their phones on the solar system.

The District Cold Chain Technician was trained to oversee the EAP solar installations in the district. One staff, in most instances the in-charge was trained in regular maintenance of the system. They were each availed an operational manual and calendar. The installation company provided a contact telephone in case of problems with the system. Each installation system has a 2 year warranty. EAP staff and the installation company staff have visited each of these health units at least once since they were installed to inspect the systems. It was however apparent that in most instances the health unit staff had not read the manual. The team found that the manuals looked “as good as new” and in some cases could not find the manual when requested to avail it to the team. They were also unaware of the two year warranty.

Challenges

- The contractors did not meet the DDHS before they went to the health units to install the systems. The DDHS would have desired to attach a staff from the district engineering department to understudy the installations so that they could attend to minor technical defects. Currently, every time there is a technical problem however small they have to call the installation company based in Kampala.
- Due to the poor remuneration of health staff a number of staff has resorted to agriculture and are clearing the trees in the health unit grounds. Removal of trees

from the compound has resulted in exposure of the solar panels to strong winds. Strong winds may damage the solar panels.

- There have been a number of thefts of solar panels from health units in Masindi. Fortunately, none of the EAP health solar panels have been stolen. However, attempts have been made. In one Health centre 4 solar panels were stolen. Some security guards have been posted by the local councils but they are not skilled, armed; and are poorly remunerated.
- Staff of the units complained of trespassers wandering in and picking items from the HU grounds and damaging property including the solar installations. Also of stray animals littering the compound with excreta.
- There are a number of broken sockets and switches. The staff blamed the breakages on poor quality of switches and sockets.
- In some units staff were unable to use the sockets because AC/DC converters were not installed. The health unit staff were instructed to buy their own converters but they claimed ignorance of the source of such equipment let alone the specifications.
- The EAP provided calendars with pictorial guidance on how to secure solar panels on the roofs with security grills. It however neither provided these security grills nor informed the districts on where to obtain them.

Recommendation to the above problems;

- The district should caution health staff on cutting of trees in the health unit compounds, who should instead plant more trees in the compounds as wind breakers.
- There is need for the district to recruit and arm at least two trained security guards for each health unit. In addition, the district should install security grills on all solar panels and fence off all health units. This is for security purposes and also to improve the hygiene of the facility.
- The district should guide the health units to plan and budget for bulbs and switches etc for the solar system.
- There is need for more concerted effort in the supervision of the operation and maintenance of the solar system.
- The district should ensure that all missing components such as invertors and faulty or broken switches are replaced or installed before the two year warranty relapses.
- There is need to train all health unit staff on the operation and maintenance of the solar systems. This is because constant re-deployment leads to unavailability of trained staff at some health units.
- The district in conjunction with the Ministry of health and the sub-counties should draw a comprehensive health infrastructure plan. This is to ensure that all programs take into consideration all present infrastructure and future needs.

(ii) EAP Institutional Solar Energy Installations in Kayunga.

Background

Kayunga District was selected by EAP as one of the districts to benefit from renewable energy packages. The DDHS was requested to select health units in the district that were remote and had no access to renewable energy to benefit from the EAP energy programme. Nine out of the twenty three health units were selected.

The selection criteria was based on degree of remoteness; distance from the grid and absence of renewable source of energy in the OPD or staff houses.

The nine health units were Busaana, Busaale, Nayessa, Kakiika, Nakatovu, Namusaale, Bukamba, Kasokwe, and Bukamba.

Objectives of solar installation in Kayunga Health Centres

The packages were aimed at improving staff retention and motivation by provision of energy in place of work and residence; improving security in the Health Units especially at night; and providing remote health units with a renewable energy source.

Findings

Solar PVC systems were installed in the nine health units between April 2007 and December 2008. They were installed by Solar Energy Systems Uganda and Giira Solar Systems. The total cost of EAP Solar PV installations in Kayunga district was Ug shs 51,233,499 with Kayunga District co-financing 20% of this cost. Kayunga District raised these funds from the Local Government Development Programme Funds (LGDP).

In the case of Bukamba HC the main grid was about 500 meters away. However, connection would require a transformer with at least five poles. This would cost not less than 15million shillings. The district had to co-fund 20% of the installation cost and pay the electricity bills thereafter. The DDHS therefore opted to have solar power for this unit despite its close proximity to the main grid. The installation costs and maintenance costs were lower than that of the grid installation.

Kasokwe and Namusaala received solar systems for their staff quarters only. The OPD's of these units had already received solar lighting from another programme. The staff quarters were constructed after their respective OPDs had been constructed and provided with solar systems. In the case of Namusaala Health Centre (HC) the Solar system was faulty and non-functional. The contractor who constructed the OPD also installed the solar system and handed them to the district. Due to staff shortage in the district no staff were posted to the health unit for over a year. By the time the staff were posted to the health unit the system was non-functional and the solar panels dismantled by wind. At the time of project handover, the solar system was not tested to ensure that it worked. EAP were requested by the district to re-install solar in the OPD but they objected and insisted that they would only undertake new solar installations.



Dismantled solar panels on Namusaala HC OPD

The DDHS reported that the project had achieved its objectives. The health staff in these units are motivated by the lighting and energy provided by the solar system. They had ceased complaining about being posted far away, for instance in Kasokwe and Kawongo health centres that are 70kms and 90kms respectively away from the district headquarters. The following extracts from the Kayunga health staff and demonstrate the impact of the solar systems:

Box 3.6: Impacts of the solar systems as seen by the health staff

“The staff quarters at the health centres were as dark as caves”

“My staff no longer complain that they are being punished, when posted to Kawongo or Kasokwe (remote areas)”.

“We are now able to charge our phones. Before we had to send our phone to Nazigo trading centre some 40Kms for charging and pay 500 shillings for the charging.”

“We now feel secure at night going to attend to a patient or going to the toilet”.

“We no longer have to request the patients to provide kerosene before being attended to”.

As a result of the EAP in Kayunga, all 23 health units in the district have a source of renewable energy for lighting.



Staff house in Namusaala Kayunga District powered by EAP solar system

The staff are able to utilise all the lights and sockets to charge phone and rechargeable lamps and play radios although the staff felt guilty of doing so. The exception was Namusaala HCII where no sockets were provided. Despite the solar system installation delivery note indicating that they had been delivered and installed. The system was delivered and installed in the health unit when only the porter was at the station. He signed receipt of equipment but was unable to discern the contents he signed for.

The District Cold Chain Technician was trained to oversee the EAP solar installations in the district. One staff, in most instances the in-charge was trained in regular maintenance of the system. They were each availed with an operational manual and calendar. The installation company provided a contact telephone in case of problems with the system. Each installation system has a 2 year warranty. EAP staff and the installation company staff have visited each of these health units at least once since they were installed to inspect the systems. It was however apparent that in most instances the health unit staff had not read the manual. The team found that the manuals looked “as good as new” and in some cases could not find the manual when requested to avail it to the team. They were also unaware of the two year warranty.

Challenges

- There have been a number of thefts of solar panels from health units in Kayunga. Fortunately, none of the EAP health solar panels in Kayunga have been stolen. However, attempts have been made. In Busaana Health unit, 4 solar panels were stolen and in Nakatovu HC II some EAP security bulbs were stolen. Some security guards have been posted by the local councils but they are not skilled, armed and are poorly remunerated.
- There are a number of broken sockets and switches. The staff blamed the breakages on poor quality of switches and sockets.
- A number of light bulbs blew within a month of installation. The HU staff were aware that they had to replace them but have not received PHC funds for some months now. Moreover, the energy saving bulbs required by the system are costly compared to the ordinary bulbs. Energy savers cost 10,000/=, while the ordinary bulbs cost 1,000/=.

- In some units, staff are unable to use the sockets because AC/DC converters were not installed.
- The EAP provided calendars with pictorial guidance on how to secure solar panels on the roofs with security grills. It however neither provided these security grills nor informed the districts on where to obtain them.

Recommendations:

- There is need for the district to recruit and arm at least two trained security guards for each health unit. In addition, the district should install security grills on all solar panels and fence all health units. This is for security purposes and also to improve the hygiene of the facility.
- The district should plant more trees in the compounds of health units as wind breakers.
- There is need for more concerted effort in the supervision of the operation and maintenance of the solar system. The district should guide the health units to plan and budget for bulbs and switches etc for the solar systems.
- The district should ensure that all missing components such as sockets in Namusaala, converters sockets or invertors and faulty or broken switches are replaced or installed before the two year warranty relapses.
- There is need to train all health unit staff on the operation and maintenance of the solar systems. This is because constant re-deployment leads to unavailability of trained staff at some health units.
- The district in conjunction with the ministry of health and the sub-counties should draw a comprehensive health infrastructure plan. This is to ensure that all programs take into consideration all present infrastructure and future needs.

(iii) EAP Institutional Solar Energy Installations in Jinja

Background

Jinja District was selected by EAP as one of the districts to benefit from renewable energy packages from EAP. The DDHS was requested to select health units in the district that were remote and had no access to renewable energy to benefit from the EAP energy programme. Fifteen out of the sixty twenty eight health units were selected.

The selection criteria was based on the degree of remoteness; distance from the grid and absence of renewable source of energy in the OPD or staff houses:

The fifteen health units were Bubugo, Busegula, Kabaganda, Kamiigo, Kisasi, Kitanaba, Kyomya, Maweto, Mpungwe, Musima, Nalinaibi, Nawangoma, Nsozibiri, Wansimba and Kibiibi.

Objectives of solar installation in Jinja Health Units

The packages were aimed at improving the immunization coverage rate; increasing the ratio of deliveries assisted by health staff; improving staff retention and motivation by provision of energy in place of work and residence; and improving security in the Health Units especially at night.

Findings

Solar PVC systems were installed in the fifteen health units between April 2007 and February 2009. They were installed by Energy Systems, solar installation company. The installations included solar panels CFL bulbs and bulb holders, a spot light and security light, AC/DC sockets and a solar fridge.



Solar fridge, and lamp in Health units.

In Kibiibi the solar system was installed late in February 2009, while the other fourteen had their installations between April 2007 and January 2008. This was due to protracted negotiations with a stone quarry company that wished to mine stone from the vicinity and therefore wanted to compensate the district and relocate the health unit. The company however later stalled its operations was no longer interested in the relocation. The district was therefore free to continue with its solar works on Kibiibi Health Unit. The total cost of EAP Solar PV installations in Jinja district was Ug shs 276,253,000 with Jinja co-financing 20% of the costs. The DDHS used PHC funds to co-fund this project.

All fifteen health units were remote health units and had no source of renewable energy. The team observed that Kitanaba and Nsozibiri HCs were near the main grid and could have been connected. At Kitanaba HC the transmission lines were just across the road, while Nsozibiri HC was less than 50 meters a distribution pole. The district claimed that to connect these health units would require a transformer and constant paying of

electricity bills. Electricity supply in Jinja area is erratic and delays in PHC fund releases make regular payment of electricity bills problematic.

The DDHS reported that the project had achieved its objectives. There were increased births assisted by health staff and improved immunization coverage. **However, the data on births and immunisation in these units availed to the team did not reflect either increased births in health units or increased immunization coverage.** This is probably because the data is poorly recorded in the health units, besides the installations in most cases are only a year and the impacts are yet to manifest themselves.

On the other hand the health unit staff reported that they are very pleased with the solar system. It had motivated them to work hard during the day and night too. They were able to charge their phones, light their houses, play radios and they felt more secure. They are willing to remain at their posts.

Box 3.7 The following are extracts from Jinja health staff interviewed:

Positive impacts

“Before we had to attend to patients using a candle and feared we would burn them with the candle wax”.

“We can now carry out deliveries at night. Before, we would refer them to Budondo Health Centre III or IV.”

“We now carry out routine vaccinations. Before we would only provide vaccination services on Wednesdays”.

“We can now play our radio all day and not worry about batteries”.

“When we switch off all lights except the security lights we can watch TV.”

“We are now able to charge our phones. Before we had to send our phones to either Budondo or Mafubira and even our batteries would be exchanged from there.”

“We now feel secure at night going to attend to a patient or going to the toilet”.

“We no longer have to request the patients to provide kerosene before being attended to”.

“We have saved money on kerosene, batteries, charging and transport with solar.”

Negative impacts

“We were not given a choice on the location of the bulbs, we wanted one in the corridor and more for security. We are a health centre two, there are no health staff houses, so we do not operate at night. Moreover, where the lights are located is the opposite side from the solar panels and therefore do not provide lighting incase thieves come to steal the solar panels.”

“We told them(contractors) where we wanted to put the lights. They told us they were installing as per instructions from GTZ”.

“We do not want the solar it is only bringing us thieves “.

The District Cold Chain Technician was trained to oversee the EAP solar installations in the district. One staff, in most instances the in-charge was trained in regular maintenance of the system. They were each availed an operational manual and calendar. The installation company provided a contact telephone in case of problems with the system. Each installation system has a 2 year warranty. EAP staff and the installation company staff have visited each of these health units at least once since they were installed to inspect the systems.

Challenges

- There have been a number of thefts of solar panels from health units. In Busegula HU two EAP solar panels were stolen from the staff quarters. This happened when there was a night watchman on duty. As a result Busegula HU staff house solar system is non functional. In Musima an attempt was made to steal the solar panel but the guard raised an alarm and the thieves left. The DDHS has deployed two security guards to each health unit. They are however not skilled, armed. And are poorly remunerated. In Nawangoma Health Centre a guard was deployed in November 2008 but has never reported on duty to date.



Busegula Health Unit staff house with missing solar panels.

- A number of light bulbs blew within a month of installation. The HU staff were aware that they had to replace them but have not received PHC funds for some months now. Moreover the energy saving bulbs required by the system are costly compared to the ordinary bulbs. Energy savers cost 10,000/=, while the ordinary bulbs cost 1,000/=.
- Three of the fifteen EAP solar fridges in the health units were found non-functional. They were installed and operated for a few months then failed. Several attempts have been made to repair them but have failed. In the case of Kabaganda HC2 the fridge has not functioned for a year, in Maweto HC2 for five months, while in Kisasi HC2 for two weeks. The health units have resorted to taking their vaccines to nearby health units and having vaccination days only once a week instead of daily. Non functionality of the fridges has led to lower immunization coverage in these communities.

- The EAP provided calendars with pictorial guidance on how to secure solar panels on the roofs with security grills. It however neither provided these security grills nor inform the districts on where to obtain them. It was apparent to the team that these instruction calendars are not regularly consulted because they were stored in bookshelves and stores and not easily accessible.
- In the rainy season or on cloudy days, also in the dry season when it is particularly dusty the solar system does not get adequately charged. This results in power outage in the early hours of the morning.
- Staff of the units complained of trespassers wandering in, littering the facility, picking items from the HU and tampering with items including solar installations.

Recommendation to the above problems:

- There is need for the district to train and arm the security guards for each health unit.
- The district should install security grills on all solar panels and fence all health units. This is for security purposes and also to improve the hygiene of the facility.
- There is need for more concerted effort in the supervision of the operation and maintenance of the solar system. The district should guide the health units to plan and budget for bulbs and switches etc for the solar system.
- The district should ensure that all EAP solar fridges, are repaired or replaced before the two year warranty elapses.
- There is need to install additional security lights in the HU's. All 15 HU complained that only one security light was installed, consequently only one side of the building is lit. In future health unit staff should participate in selection of location of installations. As the end-users they are the best placed to know where the installations would be required.
- There is need to train all health unit staff on the operation and maintenance of the solar systems. This is because constant re-deployment leads to unavailability of trained staff at some health units.

3.4 Health

3.4.1 Introduction and Methodology

The Unit monitored the progress of implementation of the budgets and workplans for Primary Health Care (PHC) activities in 16 districts selected from South Western, West Nile and Eastern Uganda. The districts visited include: Luwero, Nakasongola, Masaka, Sembabule, Rakai, Kiboga, Kibale, Mubende, Kabarole, Bundibugyo, Kasese, Kanungu, Bukedea, Moroto, Kapchorwa and Bukwo. The selected districts were purposively selected with an intention of increasing coverage of the monitoring efforts to all regions in the country. Monitoring focused on progress of implementation of capital development activities and procurement and distribution of drugs under the non wage recurrent expenditure. Districts are required to spend 50% of their PHC non wage recurrent expenditure allocations to the procurement of drugs.

The team also monitored the progress of construction of mental health units at Masaka, Mubende and Moroto Hospitals and construction and renovation of selected health facilities in Kanungu districts—under the Support to the Health Sector Strategic Plan (SHSSP) Project II. In addition, the team monitored the status of implementation of the Rehabilitation of Referral Hospitals Project in Masaka and Buhinga Regional Referral Hospitals.

3.4.2 Support to the Health sector strategic plan II project (SHSSP)

During this quarter, the team monitored the status of construction of mental health units at Masaka Regional Ref Hospital, Mubende and Moroto Hospital under strengthening the mental health services component of the project; and rehabilitation and reconstruction of selected health centers in Kanungu District under strengthening reproductive health component of the project. The contract for the construction of mental units at Mbale, Jinja, Masaka, Mubende, Moroto, Mbale and Lira hospitals was awarded to Seka Associates and signed in July 2008. Construction of the above facilities was expected to commence in August 2008 and end between July and October 2009.

(i) Construction of mental health unit at Masaka regional referral hospital

Construction was ongoing for the mental health unit complex; two in one staff house; attendant shelter and laundry. The mental health unit complex and the attendant shelter were at roofing stage while the laundry was at window level.



Mental health Complex, at roofing stage

(i) Construction of mental health facility at Mubende hospital

Construction of the mental health complex was ongoing at the hospital having commenced in December 2008 (3 months). By the time of monitoring visit, the mental health complex; the kitchen and attendant shelter were all at roofing stage as shown in the pictures below. Two site meetings had been held during the 3 months of the construction and the hospital staff were satisfied with the quality and progress of works. No complaints were noted.



Mental health unit at roofing stage



Laundry at roofing stage

(ii) Construction of mental health facility in Kanungu

Civil works in Kanungu had not started yet the contractor was expected to have started construction in October 2008 and is expected to have handed over works by July 2009. The delays were not explained.

(iv) Construction of mental health facility in Moroto hospital

Similarly, works in Moroto Hospital had not commenced at the time of the monitoring visit in March 2009. The project site was handed over to the contractor in November 2008 and was expected to complete works by October 2009. The basic reason of the delayed works is the likelihood that the contractor for the 6 mental health units was awarded much more work (sites) than was able to undertake within the allocated timeframe resulting into the now obvious delays.

3.4.3 Rehabilitation of Referral Hospitals Project

Under this project, the team visited Masaka and Buhinga Referral hospitals.

(i) Masaka Regional Referral Hospital

The hospital was allocated US\$ 1,951,000,000 for rehabilitation, out of which US\$ 939,250,000 was released between July 2008 and December 2008. Under the rehabilitation project, the Hospital planned to: construct a private ward, renovate the male, and female surgical wards, renovate the maternity, and TB wards, renovate the outpatient and emergency units, construct and renovate walk ways; tarmack the access road (0.92 Kms), fence off the hospital business area and procure assorted medical equipment.

The hospital administration awarded contracts early in the financial year and by early February the following had been achieved: an information desk had been completed and was in use; tarmacking of the access road was on-going (0.92 Kms); fencing of the hospital business area had been completed; construction of the private wing was near completion and was expected to be completed in May 2009; renovation was ongoing and at different levels of completion including; male and female surgical wards, maternity ward, Tuberculosis ward and the Outpatient/emergency ward. To accomplish this work, a total of US\$ 534,463,964 had been spent while US\$ 399,786,036 was committed.



Maternity ward before rehabilitation



Maternity ward after rehabilitation



Private ward under construction



Rehabilitated Tuberculosis ward

Under PHC non wage, the hospital has received money for drugs totaling to US\$ 247,433,749 between July 2008 and January 2009. The hospital administration reported to have bought drugs worth US\$ 230,684,327.

Challenges to the delivery of health services at the Referral Hospital

- *Drug management:* The hospital has a wide catchment area covering Masaka, Sembabule, Lyantonde, Rakai and parts of Kiruhura District. Amidst a growing patient population, the drug budget is increasingly inadequate. The hospital has an ever increasing population of diabetic patients estimated at 250. Each patient requires drugs worth US\$ 101,000 per month. The total allocation for drugs per month is US\$ 35 million. To manage the high costs, diabetic patients receive drugs 20 days a month instead of 30/31. Other cost centres are the x-ray consumables on which the hospital spends US\$ 15 million per month.
- *Unfunded priorities:* where as much progress has been achieved within the first year of the Rehabilitation of Referral Hospitals project (capital development), the hospital still requires substantial investment in its infrastructure and has the following unfunded priorities: construction of an operating theatre at a cost of US\$ 1.8 billion, construction of a mortuary with cold room and post mortem facilities estimated at US\$ 800 million, construction of new staff houses and renovation of existing ones, expansion of the maternity wing²¹, construction of a female ward at a cost of US\$ 600 million and development of a master-plan for the hospital.
- *Understaffing:* the hospital has a staff population of 272 against the establishment of 322. Given the high patient population which is increasing tremendously following the hospital renovation—current staff are overworked and effectiveness is compromised. There is an urgency to recruit additional staff at the hospital.
- *Mortuary:* The hospital has no mortuary and currently uses the Masaka Municipal Council mortuary—which too is dilapidated.
- *Lengthy procurement procedures:* these procedures are non-responsive to emergencies that characterize health care delivery especially in a hospital setting.

Recommendations

- The costing of medicines especially for hospitals should be adjusted to take into account the increase in non communicable diseases like diabetes and hyper tension.

²¹ The existing maternity ward has a bed occupancy rate of 80% which is rather high and risky.

(ii) Buhinga Regional Referral Hospital

The hospital received US\$ 656,010 for recurrent non wage and US\$ 641,249,000 for the rehabilitation (capital development) between the months of July 2008 and February 2009. The hospital planned to: rehabilitate the children's ward (US\$ 350 million) and construct the intern doctor's mess (US\$ 150 million), procure a vehicle (US\$ 100 million), and construct walk-ways on roads and bridges (US\$ 50 million). Other priorities include: construction of a Consultants' house, procurement of assorted medical equipment and fabrication of beds—all expected to cost US\$ 100 million.

At the time of the monitoring visit in Mid-March 2009, bids for the construction of the intern doctors' mess and the children's ward had been evaluated and contracts were soon to be awarded. Construction was ongoing for the rehabilitation of the Medical ward with 75% of the works completed. The project is funded directly by the MoH at a cost of US\$ 700 million. At the time of the visit, the contractor had only been paid an estimated 100 million and was demanding payment of US\$ 400 million.

Under non wage expenditure, the hospital had procured drugs and medical supplies worth US\$ 300 million.

3.4.4 Primary Health Care Activities in Districts

(1) Masaka district

The district received US\$ 241,335,000 for PHC non wage and US\$ 79,582,000 for capital development expenditure. The district planned to: construct a staff house at Nabutongwa HC II (31,900,000), construct staff houses at Lwengo HCIV (US\$ 34,788,028), construct an out patient's department (OPD) at Kinoni HC III (US\$ 29,002,512) and to complete a maternity ward at Katovu HCIII (41,900,000).

At the time of the monitoring visit in late February 2009, contracts had been awarded for all the sites. Construction was ongoing at Lwengo HCIV and the staff house had been roofed. Civil works had not commenced at the other sites.

Challenges in implementing PHC activities in the district

- *Shortage of medical equipment:* the Director of district health services (DDHS) reported a shortage of medical equipment at health facilities. He noted that there has been a reduction in funding for medical equipment over the years especially following the withdrawal of support from UNICEF. For FY 08/09 the shortage of medical equipment at health facilities is attributed to the re-allocation of funds earlier appropriated for procurement of medical equipment to payment of allowances to health workers.

- *Staffing:* staffing levels are estimated at only 34% of the establishment—a situation that has made delivery of health services difficult.

(2) Sembabule district

The district received US\$ 140,243,007 for PHC non wage and US\$ 80,280,000 for PHC capital development. The district planned to: complete the District Health Office and Drug Store (US\$ 81 million) and to construct an underground water tank at Sembabule HCIV (US\$ 15 million). Until February 2008, procurement had not been finalized due to lack of bills of quantities and unexplained delays to initiate the contracting process. As a result capital development funds had not been spent by February 2009.

Under the PHC non wage, the district procured drugs worth US\$ 37,610,200 by the end of February 2009. The expenditure translates into 54% utilization of the funds allocated for procurement of drugs.

Challenges to the implementation of PHC activities in the district

- *Recruitment:* The district has not been able to recruit staff since 2006 when the District Service Commission's term expired. Since then, the District Council has been reluctant to approve the candidates nominated to serve on the District Service Commission.
- *Limited procurement capacity:* Construction of the District Health Office and Drug Store started last FY and was due for completion this FY 08/09. However the contractor abandoned the site due to inflation and the district has had to find another contractor. Bids were only invited in February 2009 and it is likely that scheduled works will not be completed by the end of the FY.

(3) Rakai District

The district received US\$ 244,052,955 for PHC non wage and US\$ 76,789,000 for PHC capital development. The district planned to: construct a maternity ward at Kalisizo Hospital (US\$ 114,172,000), and an Out Patient Department at Bbaka Health Centre II (US\$ 37,194,100).

Construction for the OPD at Bbaka HC II is ongoing while construction of the maternity ward at Kalisizo had not yet commenced. The contract for construction of the maternity unit was awarded to *Solumu Contractors* in January 2009 and work is expected to have commenced. Except if construction is expedited, it is likely that the maternity unit will not be complete by the end of FY 08/09.

Under PHC non wage, the district procured drugs worth US\$ 87,300,531 by the end of February 2009 which translates into 72% utilization of the releases for drugs between July 2008 and February 2009.

Challenges to the implementation of PHC activities in the district

- *Under funding:* The DDHS noted that there has not been a substantial increase in the PHC grant allocations to the district over the last 8 years. Owing to the rise in the population and inflation it has become even more difficult for the district to deliver health services.
- *Maintenance of transport fleet:* The PHC allocation for maintenance of vehicles and motor cycles is too low to enable the district repair its fleet. For instance the ambulance at Kalisizo Hospital is not in use due to failure for the district to mobilize funds for repairs. The motor cycles at HC IIIs are over 7 years old, regularly breakdown and hence very expensive to maintain.

(4) Luwero district

The district received US\$ 116,538,000 for PHC non wage and US\$ 46,539,000 for capital development expenditure between the months of July 2008 and February 2009. The priority for the FY 08/09 was the construction of the District Health Office. The activity is rolling over FYs because of the expenses involved. During this FY, the funds allocated so far have been spent on roofing and ceiling.



District health office at Luwero District H/Qs

Under PHC non wage, the district procured drugs worth US\$ 58,565,183 between July and February 2008. This translates into 100% of the funds allocated for drugs—which is commendable.

Challenges to the implementation of PHC activities in the district

- *Selection of capital development priorities:* There is limited negotiation and discussion between districts and MoH about infrastructure development priorities. Luwero like several other districts receives decisions on allocations when there has been limited discussion and communication on the selection of the priorities. Quite often the allocations are lower than the actual cost estimates resulting into non completion of facilities within a given FY.

- *Non functional health facilities:* There are several health centres in the district that were constructed that are non functional. These health centres lack basic facilities and equipment like: mattresses, beds, scissors, forceps among others.
- *Staffing levels:* Staffing levels stand at 64% of the establishment. There is however a shortage of some cadres. The DDHS noted that the District has failed to attract Medical Doctors, Dispensers and Anesthetists. It was reported that interviews were held in the recent past where two Medical Doctors were offered employment—but they declined to take up the appointment. The main reason for growing shortage of health workers—is what they consider to be low pay compared to their colleagues in the private sector and neighboring countries.
- *Staff housing:* the district has a shortage of staff houses. Health workers that are based in rural health centers are not able to find decent accommodation (for hire) in their neighborhood and residing in towns. They incur transport costs and are not able to report for work daily—partly explaining the high levels of absenteeism.
- *Medical equipment:* health facilities are experiencing severe shortage of medical equipment for example: gloves, scissors, forceps, and syringes among others.
- *Communication gap:* The district did not receive a formal communication of the re-allocation of funds within the health sector and were not aware of budget re-allocations which were effected in September 2008.

(5) Nakasongola district

The district received US\$ 65,012,000 for PHC non wage and US\$ 58,174,000 for capital development between the months of July 2008 and February 2009. This FY (08/09), the district planned to construct an OPD and pit latrine at Nakasongola HCIV. At the time of the visit in late February 2009, a total of US\$ 38,855,657 had been paid to the contractor. The Construction of the OPD started last FY 07/08, however the funds allocated this FY will not be adequate to complete it. It is anticipated that the facility will be completed in FY 09/10. The OPD has been roofed.



Construction of OPD at Nakasongola HCIV

Under PHC non wage, the district had procured drugs worth US\$ 27,027,657 which translates into 83% utilization of the funds disbursed for drugs between July 2008 and February 2009.

(6) Kasese district

The district received US\$ 324,784,000 for PHC non wage expenditure and US\$ 101,222,000 for capital development between the months of July 2008 and February 2009. Capital development priorities for FY 08/09 included: completion of an operating theatre at Nyabirango HCIV, construction of staff house(s) at Kitswamba HC III, and Mahango HC III.

There have been delays to commence works for the construction of the staff houses. The district does not have a Civil Engineer to prepare bills of quantities. The DDHS had to rely on the Water Engineer—the current head of the Works Department—to prepare the BoQs. At the time of the monitoring visit in March 2009, contracts for the construction of the staff house had not been awarded.

Completion of the operating theatre was in advanced stages and the contractor had been paid approximately US\$ 40 million.



Operating theatre at Nyabirango HCIV

Under PHC non wage, the district had bought drugs worth US\$ 184,593,910 which translates to 114% utilisation of the disbursement for procurement of drugs.

Challenges to the implementation of PHC activities in the district

- *Staffing:* Staffing levels for health workers in the district are estimated at 30.8% of the establishment. The district is experiencing an acute shortage of Medical Doctors having only one Medical Doctor against an establishment of 5. As a result Rwesande HCIV has an equipped and functional theatre which is not in use due to absence of a Medical Doctor.
- *Lack of adequate staff housing:* Delivery of health care in the district is affected by the shortage of staff housing. Health workers posted in rural health centres can hardly find any accommodation. Staff have resorted to staying in towns and travelling to and from the rural health centres. Without own means of transport, traversing the rough and hilly terrain is expensive for health workers who have to incur own transport costs. As a result health workers are often late for work and on are regularly absent—a making not entirely their own.

- *Transport facilities.* The district lacks adequate vehicles and motor cycles for lower level health facilities (HCIIIs and HC IIs). This situation has strained efforts to provide support supervision and to conduct community outreaches.

(7) Kiboga district

The District received US\$ 94,296,000 for PHC non wage and US\$ 83,775,000 for capital development between the months of July 2008 and February 2009. The district planned to: complete a maternity ward at Kikolimbo HC III by construction of: kitchen, placenta pit and pit latrine at US\$ 46 million; and to construct an Out Patient Department (OPD) at Ntwetwe HC IV at US\$ 56 million. The contract for completion of the maternity ward at Kikolimbo HC III was awarded to Zion Group of Companies in November 2008 while the contract for construction of the OPD at Ntwetwe HCIV was awarded to Wavah Investments Limited.

At the time of the monitoring visit in early March 2009, construction of the OPD at Ntwetwe HC IV was at roofing stage. Wavah Investments—the contractor had been paid US\$ 24,070,625 while US\$ 32,000,000 was outstanding. Construction was ongoing for the kitchen, placenta pit and pit latrine at Kikolimbo HCIII by Zion Group of Companies. The kitchen was at the ring beam, while roofing was ongoing for the pit latrine. At the time of the visit, the contractor had been paid US\$ 30 million for the works with US\$ 26 million outstanding.



Construction of OPD at Ntwetwe HCIV

The district had spent a total of US\$ 45,204,685 on drugs for the three sub districts of Bukomero (US\$ 15,710,885), Ntwetwe (US\$ 9,493,800), and Kiboga central health sub district (US\$ 20,000,000). The district strategically requisitions for all funds under the credit-line early in the financial year. The district has been able to maintain regular stock of drugs at its health facilities.

Challenges to the implementation of PHC activities in the district

- *Lack of consensus on expenditure priorities:* The activities undertaken are different from those specified by the draft annual transfers of the MoH. This represents a gap in collaboration, dialogue and communication between districts and the MoH in prioritization of capital development interventions in Local Governments.
- *Under releases:* the DDHS noted a tendency by the MoFPED to disburse less funds towards the end of the FY than is actually allocated. This makes implementation of PHC activities difficult. In addition the allocation is quite low compared to need—making little improvements in health care delivery.

(8) Kibaale district

The district received a total of US\$ 258,159,000 for PHC non wage grant and US\$ 83,770,000 for PHC capital development for the period July 2008- February 2009. The district planned to: complete the OPD at Nalweyo HC III, and to construct an OPD at Kitaihuka HC III.

At the time of the visit in late February 2009, the OPD at Nalweyo had been completed while the OPD at Kitaihuka HC III was at ring beam level. A total of US\$ 52,934,057 had been paid to the contractor at Nalweyo HC III.

Out of the PHC non wage releases, the district procured drugs worth US\$ 66,757,824 for Buyaga, Bugangaizi and Buyanja Health Sub Districts. This translates to 51% expenditure of the funds disbursed for drugs between July 2008 and February 2009.

Challenges to the implementation of PHC activities in the district

- *Inadequate transport facilities:* The district lacks adequate vehicles and motor cycles to carry out supervision. Even where vehicles have been availed, the PHC grant is too low to enable the DDHS's office repair allocated vehicles. Lower level HCIIIs have no motor cycles which are essential for community outreaches.
- *Stock outs of drugs and consumables:* Credit line deliveries have remained erratic, and often lower drugs are delivered than is requisitioned. The District has to incur considerable expenses in follow up, telephone and transport costs which is rather expensive. However, improvements in the performance of National Medical stores (NMS) were acknowledged especially in the last 8 months.
- *Staffing:* It has become increasingly difficult for the district to attract high cadre health staff. On three occasions, the district advertised but failed to attract Medical Doctors, Dispensers and Laboratory Technicians.
- *Wage shortfall:* following the budget re-allocation, the wage budget was reduced and the district is likely to experience a wage shortfall.

(9) Mubende district

The district received US\$ 237,422,000 for PHC non wage and US\$ 76,789,000 for PHC capital development between the months of July 2008 and February 2009. The district planned to: construct a general ward at Kiganda HCIV and staff houses at Kibalinga HCII. Contracts for the construction of the above facilities were awarded recently in February 2009 and construction had not commenced in March 2009.

Under the non wage expenditure, the district had procured drugs worth US\$ 30 million by early March and had orders pending delivery—worth US\$ 20 million. This translates into 42% utilization of the funds released for drugs.

(10) Kabarole district

The district received US\$ 200,957,000 for PHC non wage and US\$ 33,299,000 for capital development. The district planned to: construct a maternity ward at Kabende HC II, construct a pit latrine at Kasunganyanja HC II, renovate the Doctor's house in Bukuku HCIV, and contribute to the completion of the staff house at Rurama HCII which had been constructed by the community.

The maternity ward at Kabende HC II was constructed up to ring beam level but by March 2009 works had stalled due to inadequate funding. The contractor was paid US\$ 11 million out of the contract price of US\$ 37 million. Construction of the pit latrine at Kasunganyanja was completed and the contractor was paid US\$ 3.1 million.

The team visited Rurama HC II where the community had raised partial funding for the construction of the staff house. Partial funding is required from the district health office for completion of the staff houses shown in the picture below. The total cost of the staff houses is estimated at US\$ 24 million. The district is expected to contribute US\$ 12 million for completion of the facility. However the limited PHC budget had made it impossible for the district to honour its pledge of US\$ 12 million for completion of the staff houses. Consequently no funds will be available for completing the staff houses during the FY 08/09.



Staff houses at Rurama HCII

Under the non wage expenditure, the district had procured drugs worth US\$ 117,452,279 by March 2009. This translates into 116% utilization of the funds meant for drugs. Note that districts are required to spend 50% of the PHC non wage releases on procurement of drugs.

Challenges to the implementation of PHC activities in the district

- *Under funding:* the district was allocated only US\$ 49 million for capital development. The amount is indefensible given the catchment area and population of the district. The district has several infrastructure development priorities—that cannot be implemented this FY 08/09.
- *Low Staffing:* The district did not have a District Service Commission for a period of two years (2006-2008). As a result, many positions have fallen vacant and health workers have not been recruited. Whereas staffing levels stand at 48% of the establishment, the bulk of these comprise the lower level cadres. At present, the district does not have Doctors at its HCIVs. Medical Doctors who took leave

to pursue postgraduate studies resigned on completion of their studies. The district urgently needs to recruit Medical Doctors.

(11) Bundibugyo district

The district received US\$ 166,546,000 for PHC non wage and US\$ 125,655,000 for capital development for the period July 2007- February 2009. The district planned to: upgrade Rwebisengo HCIII to a HCIV by construction of an operating theatre, a Doctor's house and a generator house at a cost of US\$ 150 million; and to upgrade Kisuba HC II to a HC III by construction of a maternity ward at a cost of US\$ 120 million.

At the time of the monitoring visit in March 2009, construction of the maternity ward at Kisuba HC III was nearing completion as shown in the picture below. For the works to date, the contractor had been paid US\$ 51 million.



Maternity ward at Kisuba HC III

Similarly, the district has paid US\$ 5.7 million for the construction of a VIP toilet at Bundibugyo Hospital. The contract for the construction of an operating theatre, Doctor's house and a generator house was awarded in February 2009. Works had not commenced at the time of the visit.

Under non wage recurrent expenditure, the district procured drugs worth US\$ 51 million between the months of July 2008 and February 2009. This translates into 61% utilization of the funds allocated for procurement of drugs.

Challenges to the implementation of PHC activities in the district

- *Vehicle maintenance:* the terrain and poor road network in the district contributes to a high breakdown of vehicles. The PHC allocation for maintenance of vehicles is rather inadequate and as a result the district has consistently not been able to maintain its fleet. Bundibugyo district Local Government is not able to mobilize local revenue to supplement the PHC grant. The DDHS is left with no option but to spend some of the funds meant for procurement of drugs for maintenance of vehicles. It is important to consider the aspects of geography, hard to reach, hard to stay and distance from Kampala when computing budget allocations.
- *Wage shortfall:* Staffing levels stand at 40% of the staffing norms. Paradoxically the wage allocation of US\$ 1.4 billion corresponds to the current staffing levels. This situation has made it difficult to recruit more health workers.

(12) Kanungu District

The district received US\$ 163,114,000 for PHC non wage expenditure and 125,655,000 for PHC capital development expenditure. The district planned to: upgrade Kanungu HCIII to a HCIV by construction of a Doctor's House and a two in-one staff house; and to construct an OPD at Bushenyi HC II.

At the time of the visit, construction was on-going for the Doctor's house and the two-in one staff house at Kanungu HCIV. The Doctor's house is constructed by Pineapple Construction Limited at a cost of US\$ 40 million. Construction commenced early February 2009 and by the time of the visit in early March 2009, the house was at roofing stage and the contractor had been paid US\$ 5 million.

The staff house is being constructed by Technical Service Constructors at a cost of US\$ 60 million. Construction commenced early February 2009 and by the time of our visit, the unit was at roofing stage and the contractor had been paid US\$ 8 million for works done.



Doctor's House, Kanungu HCIV.



Two in one. Staff House. Kanungu HCIV

Construction of the OPD at Bushenyi HCII has been completed and the contractor paid US\$ 32 million while 8 million is outstanding—being retainer fees.

Under non wage expenditure, the district procured drugs worth US\$ 40,384,445 between the months of July 2008 and January 2009. This translates into 50% utilization of the funds allocated for procurement of drugs between the months of July 2008 and February 2009.

Challenges to the implementation of PHC activities in the district

- *Staffing:* It has been very difficult to attract medical doctors in Kanungu. At the time of the visit, the district had only 1 Medical Officer—the Medical Superintendent of Kambuga Hospital.
- *Transport facilities:* Despite the mountainous terrain and poor road network, HCIVs have no vehicles and the HC IIIs and HC IIs have no motorcycles. This situation makes support supervision and referral management difficult.
- *Drug management:* Kanungu district like several other districts—remote and far from Kampala, have found procurement of drugs from Kampala to be rather expensive. The district incurs costs of follow up, traveling to and from NMS to pick drugs or certificates of non availability. It was noted that with the current low efficiency of NMS, there is no motivation for districts to want to procure drugs from the corporation. Under the credit line, on several occasions some of the drugs requisitioned were out of stock.

(13) Moroto district

The district received US\$ 153,849,689 for PHC non wage and US\$ 76,789,000 for capital development expenditure. The district planned to: construct a staff house at Nadunget HC III and a staff house at Irili HC III. Construction of the staff house at Nadunget HC III was awarded to Global Turtles Agencies at a cost of US\$ 45,963,522 while construction of the staff house at Irili HCIII was awarded to Namacar Enterprises at a sum of US\$ 46,699,723.



Staff house under construction at Nadunget

At the time of the visit, The facility was at window level and Global Turtles Agencies had been paid US\$ 7,024,249 with US\$ 38,939,273 outstanding.

At Irili HCIII, the staff house had been completed and was in use. Construction commenced in August 2008 and was completed by December 2008. Namacar Enterprises had been paid US\$ 44,364,738 and only US\$

2,334,985 outstanding—being retainer fees.

On PHC non wage, the district had procured drugs worth US\$ 24.5 million which translates into 64% utilization of funds disbursed for procurement of drugs between July and February 2009.



Staff house constructed at Iri HC III

Challenges to the implementation of PHC activities in the district

- *Remoteness.* The district administration incurs high costs of traveling to Kampala and procurement of drugs when no substantial allowance is made for such a hard to reach area.

(14) Bukedea District

The district received US\$ 109,777,800 for PHC non wage and US\$ 132,636,000 for capital development expenditure. The district planned to: construct an Out Patient Department at Apopong HC II (US\$ 59 million) and an Out Patient Department at Kobale HC II (US\$ 59 million). At the time of the visit no works had been contracted out and therefore capital development funds had not been spent. Bid evaluations had been concluded and contractors were soon to be awarded. It was reported by the Chief Administrative Officer that the District did not have a procurement committee from last year, until recently. MoFPED delayed to approve new members that had been nominated to fill vacant positions on the procurement committee.

Challenges to the implementation of PHC activities in the district

- *Staffing:* The DDHS of Bukedea was interdicted on allegations of corruption and neglect of duty. The Environmental Health Officer is currently acting as DDHS. There is an acute shortage of staff in the district including health workers. There is only one Medical Officer in the district, 4 Clinical Officers, 2 Laboratory Assistants, no Dispenser and no Cold Chain Technician. Plans were underway to recruit a range of health workers.
- *Transport facilities:* The district has no functional ambulances which has made referral management difficult.

(15) Kapchorwa District

The district received US\$ 107,790,227 for PHC non wage and US\$ 83,770,000 for capital development. There was no consensus on the district priorities and the MoH proposed priorities. After several correspondences and discussions, it was ruled that the capital development funds be spent on upgrading Kaserem HC III.

By the time of the visit in March 2009, contracts for the upgrading of Kaserem HC III had not been awarded. In addition to the protracted discussions between the MoH and the District Administration, the Head of Procurement had been interdicted on allegations of abuse of office further delaying the procurement process.

Under the now wage component, the district had bought drugs worth US\$ 28,025,889 between July and December 2008. No drugs were bought during the third quarter (January-March 2009).

Challenges to the implementation of PHC activities in the district

- *Political influence:* There was a feeling that district planning structures and resolutions are over-ruled partly due to political influence. Whereas the district considered its priorities for FY 08/09 to be: the construction of staff house and maternity ward at Cheptuya HCIII (and upgrade it to a HC IV); and construction of a staff house at Kwayninyui HCIII; the MoH advised that the funds instead be spent on upgrading of Kaserem HC III. Considerable time was spent on discussions to arrive at a compromise. It was in the recent past decided that the funds will be spent on the MoH identified priority. According to the district administration—this followed lobbying by the Area Member of Parliament—without due consultation with the district authorities. It is expected that works for this FY will at the earliest commence in May 2009.
- *Staffing:* Whereas staffing levels stand at 48% of the establishment, the district has a shortage of high cadre staff. The district has only one Medical Officer—the Medical Superintendent of Kapchorwa General Hospital, three of his Medical Doctors having resigned last year alone. The Director of District Health Services has had to stop-gap by taking on patient diagnosis and treatment at Kapchorwa General Hospital. This has meant that the DDHS has limited time to dedicate to health planning and administration in the district. Recruitment has not been possible as Kapchorwa has had no District Service Commission since 2007. A new commission was only constituted in March 2009.

(16) Bukwo district

The district received US\$ 79,473,354 for PHC non wage and US\$ 244,105,000 for PHC capital development between July 2008 and February 2009. The capital development allocation for FY 08/09 was for upgrading of Bukwo HCIV to a General Hospital. Contracting of works was delayed by the contention on location of the hospital. The present Bukwo HCIV is a faith based health facility. The district leadership was reluctant to spend public funds to capitalize a faith based facility. It was resolved that the funds allocated be spent on constructing a hospital (in phases) at a new location.

Construction of the following facilities had been scheduled: renovation of the post operative ward at US\$ 10 million, completion of the operating theatre at US\$ 10

million; construction of a generator house at US\$ 5 million; electrical installations at US\$ 5 million and construction of a maternity centre (US\$ 305 m). Apart from the maternity ward, the four other works commenced early before discussions to relocate the hospital. At the time of the visit (March 2009), works were ongoing and US\$ 10 million had been paid to the contractor for completion of the post operative ward. Other facilities are soon to be completed.

Construction of the maternity ward at the new site had also commenced. By Mid March 2009, laying of the foundation had been completed and brick work was on-going.

Under PHC non wage, a total of US\$ 46 million had been spent on procurement of drugs by March 31 2009. This translates into 116% utilization of funds allocated for procurement of drugs between July 2008 and February 2009.

Challenges to the implementation of PHC activities in the district

- *Health Infrastructure:* Of the 8 HCIIIs, only 2 have been constructed to meet the MoH standards. Most of the HCIIIs have no maternity units, for example Kortek and Kapkoloswa HCIIIs. Other facilities lack solar power and rely on kerosene lamps—which complicates attending to emergencies and deliveries at night.
- *Lack of medical equipment.* Health facilities in the district were reported to be experiencing an acute shortage of assorted medical equipment especially following the re-allocation of funds meant for equipment to the payment of health workers' allowances.
- *Office space:* The District Health team does not have own office space. The DDHS has an office at Bukwo HCIV—a faith based health facility while other members of his office have no office space.
- *Staffing:* The staffing levels are estimated at 67% of the establishment, half of which are support staff. The biggest challenge to the district has been failure to attract and retain health workers. At present the district has no substantive DDHS, has only 2 Medical Doctors one of which is pursuing postgraduate studies, there are no laboratory technicians and have only 3 enrolled nurses against an establishment of 20.
- *Staff housing:* The district has only 15 staff housing units for a staff establishment of 120.
- *Hardship allowance:* The district is hard to live and stay. Because of remoteness, the cost of service delivery is higher since PHC allocations are not sensitive to distance from Kampala. No hardship allowance is allocated to the district.

3.5: Industrialization

3.5.1 Introduction:

The Uganda Investment Authority (UIA) was set up by an Act of parliament to promote private sector investment in Uganda. The Authority is charged with the responsibility of setting up twenty two new industrial parks nationwide, with a minimum of four new parks every financial year with effect from 2007/08. Besides the Kampala Industrial and Business Park (KIBP) located at Namanve, two other parks are being set up at Luzira and Bweyogerere near Kampala.

This financial year (2008/09), Ushs.19.7 billion was appropriated for the development of industrial parks. The cumulative funds released as of March 2009 was. Ug shs 10,890,128,216.

Selection Criteria

Selection of monitoring sites was based on physical progress reported in the sector performance report and geographical location of projects for regional representation. The selected projects include: Bweyogerere Industrial Estate, Mbale-Mutoto Industrial Estate, Luzira Industrial Estate, Mbarara Industrial Park and Soroti Industrial Park.

3.5.2 Luzira Industrial Park

Seventy acres of land were acquired for the creation of Luzira Industrial Park. The outputs expected from UIA in regards to this park include road construction, monitoring factory construction, power extension and supply to the developers and preparation of environmental impact assessments (EIAs). So far the first phase of road construction is complete and this covers 1.7 km. The second phase of road construction to cover 2.0 km is expected to begin in mid April. M/s Spencon Services Limited March 2009, has been contracted to construct roads under phase two of Luzira Industrial Park at a cost of Ushs 2,043,528,689.



Part of the road constructed under phase I ending at Quality Chemicals Industries

UIA is to provide power to investors by coordinating with M/s UMEME to install an 11 Kv metering unit and provide a 33 Kv line diversion from which new investors will be connected. M/s UMEME submitted detailed costing for reliable power provision (a line from Namanve and a substation at Luzira) to UIA. UIA has provided the land for the substation and paid for the required 10/14 MVA transformer.

Way leaves survey is complete and line construction begins April 2009. A tune of Ushs.1,700.000.000/= has been set aside to cater for this activity. Compensation of property owners within the way leaves is to begin on receipt of the valuation report from the Chief Government Valuer. Through its National Industrial Parks Planning Committee (NIPPC), the UIA will monitor construction progress of investors in the park.

3.5.3 Bweyogerere Industrial Park

The government has allocated approximately 20.24ha of land for the construction of an industrial estate in Bweyogerere, Wakiso district.

The master plan for the park was approved by the National Industrial Parks Planning Committee (NIPPC). Cadastral and top-surveys have been undertaken. The UIA Board has allocated the land in the park to eight investors and a consultant (M/S Gauff Consultants (U) Ltd) has completed the designs of the park roads. The process of recruiting a contractor for phase one road construction is at procurement stage.



A lady cultivating on Luzira Industrial Park land and brick making in Bweyogerere

The proposed roads for Bweyogerere Industrial Estate include: the by-pass link with a length of 405.56m, (to upgrade the current gravel road); First street road with a length of 280.69m (to be constructed). Kyaliwajjala road with a length of 730.36m (the existing gravel road to be upgraded and a new road to be constructed). The contractor is expected to be on board by mid April 2009. A tune of 2.1 billion has been allocated for this activity. Ongoing work is to ensure that the investors have titles to their plots and prepare Environmental Impact Assessments (EIA) for the projects.

3.5.4 Mbale Industrial Park

The industrial park land located at Mutoto with a total area of 619 acres was purchased by GoU from Bugisu Cooperative Union Limited (BCU) in April 2008 at a total sum of Ug shs 3,095,000,000. Since then, UIA has obtained the land title. This land is heavily encroached on with over 240 squatters owning temporary, and permanent houses.



A cross section of the land and one of the structures on the land

According to the agreement, the vendor (BCU) undertook to assist the purchaser remove all the squatters on the land within six months from the date of the execution of the sale agreement. However, four months after the end of the six months stated in the agreement, UIA had not occupied the land, which is attributed to compensation complexities.

Compensation has taken a slow pace as a result of contested valuation rates which were said to be “too low and outdated”. Mbale District Land Board suggested new rates to the Chief Government Valuer for study and approval. By the time of the monitoring visit, the Chief Government Valuer had not returned comments on the suggested new rates to the district for approval. This compensation will only take care of buildings and crops found on the land at the time of purchasing.

Much as the compensation process is in progress, it is not clear who is responsible for compensation costs. According to the agreement; terms 5, 6, and 7.

“5. The vendor undertakes to assist the purchaser remove all the squatters on the land within six months from the date of the agreement.

6. The vendor guarantees that the Purchaser shall at all times enjoy quiet possession of the said land and that the purchaser shall never be inconvenienced at all during the time it shall be in occupation and control of the said land.

7 The vendor further warrants that the purchaser shall not be subject to law suits as a result of adverse claims and or interference by any third party or entity, the Vendor’s agents or creditors claiming from the Vendor in any capacity and that the title to the land shall vest in the purchaser.”

It is not explicitly clear on who is responsible for compensating squatters. A legal opinion on the clauses of this agreement should be sought before UIA compensate squatters. It should be noted that the approved budget for development of industrial parks neither has a line item for purchase of land nor compensation yet these are listed as the major priority areas by UIA this financial year.



Although UIA has a land title of the 619 acres “free from any encumbrances”, there is a small scale cement factory on this land with a purportedly fake land title of about 40 acres and another overlapping title on the 40 acres. There is no evidence of legal proceedings against this occupant(s)/company by either the vendor or purchaser. The Land Development Department of UIA reported that plans are underway to regularize the occupant as an industrialist on the land. A lot of time has been lost and one can urge that there is no value for money for the period UIA has not occupied this land.

A cement industry with an overlapping land title

Recommendations:

- Compensation should be done quickly and by the responsible entity according to the agreement. The land should be fenced to discourage further encroachment.
- In future UIA should have a clear budget with proper line items that reflect the activities as per the charts of accounts.

3.5.5 Mbarara Industrial Park

In July 2008, UIA acquired 12.2 acres built up parcel of land from Gatsby Uganda Limited at Rwebishuri, Mbarara district. The land included buildings (6 blocks) and fixtures with tenants/operational small scale industries owned by Gatsby association members. UIA intends to make this park an incubation centre for industries in the region. Industries with in this park include: food processing, metal works, timber, welding, knitting, tailoring, spraying, honey processing, milling, dairy products, printing and leather processing among others.

The UIA has also started on the process of acquiring 640 acres of land opposite the existing industrial area. This land is currently occupied by Makenke Army Barracks. Negotiations with Uganda Land Commission and Uganda People’s Defense Forces are ongoing to finalize modalities on re-location of the barracks.

Park utilities

At the time of monitoring, only six of the 30 units were operating as a result of electricity disconnection due to failure to clear an outstanding bill. All the 6 blocks in the park have one electricity meter and one water meter, it is thus difficult to share the bills since each unit consumes these utilities in different proportions.

The place is bushy and isolated, on first sight, it is clear that there is no management at this park, the roads are not maintained, most of the occupants have re-located their equipment elsewhere and only use the park as a warehouse. Some tenants have started constructing new structures in the park without the knowledge and approval of UIA.



Signpost of industrial park



One of the six blocks on UIA incubation centre, Mbarara

Since this park was purchased with sitting tenants in industrial related business, it is important to clear the electricity bill urgently and install utility meters on each unit. Tenants should be clustered/grouped according to sector.

It should be noted that UIA advertised the position of Park Manager, Mbarara, who is expected on board in April 2009.



Neglected block in abshy environment



An employee operating a manual knitting machine

Recommendations:

- ***Park guidelines***

Tenants are not aware of any user guidelines from UIA on how to use the park land and premises. There is therefore need for UIA to come up with clear guidelines and avail terms and conditions of using the industrial park premises to tenants. Such guidelines must spell out who is responsible for infrastructure development in this park.

- ***Sanitary system***

The toilet units are not enough for the existing, later on planned population. Each block has one toilet although each block has about 5 units (industries). As a matter of urgency there is need for more toilets to take care of each unit and a provision for public toilets/latrines for group employees.

- ***Clustering***

Industries in this park should be grouped for ease of administration and provision of support facilities (equipment) to these small scale industries.

3.5.6 Soroti Industrial Park

The UIA is in the process of procuring at least 200 acres of land for an industrial park in Soroti district. An invitation for bids was placed in the media in February 2009 and evaluation was expected to start before the end of March 2009.

3.5.7 Challenges and Recommendations

Inadequate Management structures

UIA has no management structures and guidelines for industrial parks. This is further complicated by low staffing levels in the land development division. The need for physical planners, land officer and park managers need not to be over emphasized.

Land encroachment

Most of the land in the industrial parks lacks physical boundaries separating it from neighbors. Almost all sites visited have encroachers undertaking different activities on the land without permission from the UIA. In future, these encroachers may claim compensation once asked to leave.

Start up Investment

Usually there is fear among investors to start businesses in plain parks; UIA should demystify this fear by becoming the first investor in the parks especially through provision of shared and common user facilities such as warehouses that can attract other investors.

Purchase agreements

There is need for further scrutiny of land purchase agreements before actual signing is done to avoid any gaps that may lead to additional expenditures in compensation of squatters as well as time lost in having squatters leave the acquired land.

Procurement plans

Industrial Parks development procurements are not guided by clear and well laid down procurement plans; this contravenes section 34 of the Public Procurement and Disposal of Public Assets Act (2003) that requires all Government Institutions to prepare procurement plans. UIA should prepare

procurement plans in time in order to start procurements early and improve capacity to absorb resources.

Progress report

UIA should improve the reporting from summary progress report to detailed reports with information on releases and expenditure per output. As of now the reports from UIA are too shallow for monitoring purposes. It should be noted that under industrial park development project, there is no line item for land acquisition, however, the budget meant for maintenance - civil, is most likely used for acquisition of land and compensation purposes.

3.6: Roads

3.6.1: Introduction

Projects/Programmes monitored for performance during the third quarter included: the National Roads Maintenance Programme under the Uganda National Roads Authority (UNRA); Karamoja Roads Development Programme, Area Based Agricultural Modernization Programme (AAMP), and the Support to Tourism Infrastructure Development Programme under the Ministry of Works and Transport (MoWT); and District Roads Maintenance Programmes in the districts of : Kampala, Apac, Pader, Kitgum, Mbale, Kumi, Katakwi, and Soroti. These were selected on the basis of level of capital investment, planned quarterly outputs, and value of releases during the first, second, and part of the third quarter of FY 2008/09, but excluding those that were monitored during quarters 1&2.

Details of planned development and maintenance activities under the roads sub-sector, for the first three quarters, is attached as Annex Table 3.4

3.6.2 National Roads Maintenance Programme

The programme involves all activities for maintenance of the national roads network totaling 10,970Km but which is slated to increase in the next FY owing to the upgrading of 9,000Km of district roads to national roads standards. This FY, the programme has a total annual budget of UG shs 139.39 billion (11.5% of sector budget) of which UG shs 65.263 billion (48.2% of annual budget) had been released by the end of the 2nd quarter and UG shs 24.517 billion (37.6% of releases) spent on the different maintenance activities.

Planned activities under the programme included manual maintenance of 10,970 Km; mechanized maintenance of 9,875 Km; rehabilitation of 104Km of paved roads; resealing of 235 Km of paved roads; gravelling of 1400 Km of unpaved roads; maintenance of 24 bridges; and axle load control on the national roads network. Physical progress of works under the programme reported in UNRA's 2nd quarter progress report included: manual maintenance of 10,484 Km using labour based contractors; mechanized maintenance of 4,479 Km using force account; and maintenance of 1,423 Km using mechanized contractors. The programme was reported to have a total commitment value of UG shs 73.97 billion (54.6% of annual budget) including payments for works and committed fund, as at end of December 2008.

Seven on-going road maintenance projects were selected for monitoring out of 59 projects on which funds had been committed under the programme. The projects monitored included: Periodic Maintenance of Busega – Mityana road, Rakai – Mbarara Boarder road, Lira – Kitgum Boarder road, Gulu – Pabbo road, Pabbo – Atiak road, Fort Portal – Kamwenge road and Emergency repairs of Awoja Swamp (Kumi – Soroti road).

(i): Lira (Ngeta) – Kitgum Boarder Road

This project involving the periodic maintenance of 64Km of the road linking Lira and Pader districts was awarded to M/s Mulwooza & Brothers Ltd and involves reshaping of the road by heavy grading,

drainage works including installation of some culverts, and re-gravelling of the entire section with 150mm gravel wearing course, at a total contract price of UG shs 2.39 billion. Civil works commenced on 11th February 2009 and are expected to be complete within 8 months (by 11th October 2009). Works are supervised by the UNRA Station Engineer Lira.

During the site visit, the monitoring team found the contractor fully mobilized on site, works were on-going with 17 Km of the road graded. Physical progress was estimated at 6% against a contract time progress of 9.5%. While the physical progress of works lagged behind contract time progress, the works were slightly ahead of schedule (considering the time planned for mobilization). Financial progress of the contract was at 0% as no payments to the Contractor had been made.

The implementation challenge identified included transport constraints for contract supervision staff yet the allowed sum in the contract for a supervision vehicle and two motorcycles is not sufficient for their procurement as specified.

ii) Busega – Mityana Road

The Project involving the term maintenance of 58Km of Busega – Mityana road was procured by MoWT in September 2007 and was contracted to M/s Spenco Services Ltd at a sum of UGX 4.13 billion. Planned works under the contract included spot repairs (including pothole patching, edge repairs, shoulder recharging and base reconstruction in some areas), resealing of selected sections, and carriageway and drainage improvement. Works commenced on 18th January 2008 and were expected to be completed within a period of one year (by 18th January 2009).

Another Contract (Project 0266) for full rehabilitation of the road is still under procurement and is expected to commence later this FY.

All contractual obligations under the contract were transferred to UNRA in July 2008 following its establishment, at which time the physical progress of works was estimated at 46%, contract time progress at 50% and financial progress at 20% (only covering the advance payment). The works are supervised directly by the UNRA Station Engineer Mpigi.

At the time of the site visit, the works were substantially complete at a physical progress estimated at 95% and commencement of the defects liability period had been agreed following the site meeting held on 20th February 2009. The Contractor did not request for extension of time after expiry of the contract period and financial progress was estimated at 78.9%.

During the site visit, the monitoring team observed fresh potholes in some sections, defects on finished works and unfinished works in sections I & III (first 17 Km and the last 10 Km). On-going works included pothole patching and edge repairs. The team observed that revision of quantities to cover the fresh potholes and the unfinished works was necessary before the contractor is discharged from site.

iii) Rakai – Mbarara Boarder road

This project involving the periodic maintenance of 50Km of the road linking Rakai and Isingiro districts was awarded to M/s Assured Engineering Services Ltd and involves reshaping of the road by

heavy grading, drainage works including installation of some culverts, and re-gravelling of the entire section with 150mm gravel wearing course, at a total contract price of UG shs 1.125 billion. Civil works commenced on 9th February 2009 and are expected to be complete within 6 months (by 8th August 2009). Works are supervised by the UNRA Station Engineer Masaka.

During the site visit, the monitoring team found the contractor fully mobilized on site, works were on-going with 21Km of the road graded, and 15Km gravelled. Physical progress was estimated at 30% against a contract time progress of 8.2%. Progress of works was ahead of contract time progress and ahead of the works schedule. Financial progress of the contract was at 0% as no payments to the Contractor had been made.

The implementation challenge identified included transport constraints for contract supervision staff as the available pickups at the station had to be shared with works on-going under force account.

iv) Gulu – Pabbo road

This project involving the periodic maintenance of 38Km of the road linking Gulu and Amuru districts to the border with Southern Sudan at Nimule was awarded to M/s Sobetra (U) Ltd and involves reshaping of the road by heavy grading, drainage works including installation of some culverts, and re-gravelling of the entire section with 100mm gravel wearing course, at a total contract price of UG shs 766.3 million. Civil works commenced on 6th June 2008 and were expected to be complete within 6 months (by 3rd December 2008). The Contract Period was however extended to end on 30th March 2009. The Works are supervised by the UNRA Station Engineer Gulu.

During the site visit, the monitoring team found the contractor fully mobilized on site but with most of the equipment under mechanical breakdown, some works were on-going with the entire road graded, and 11Km gravelled. Physical progress was estimated at 68% against a contract time progress of 93.3%. Progress of works was far behind schedule and the contractor was experiencing cash flow problems that were affecting the rate of progress of works and the flow of construction materials like fuel. Financial progress of the contract was at 49.2% including components of the advance payment paid before commencement of works.

Implementation challenges included transport constraints for supervision staff as the available pickups at the station had to be shared with works on-going under force account; and the contractor was experiencing serious cash flow problems for reasons unclear to the supervisors.



Pictures show on-going maintenance works and level of Contractor's mobilization on Gulu – Pabbo road.

v) Pabbo - Atiak Road

This project involving the periodic maintenance of 70Km of the road linking Gulu and Amuru districts to the border with Southern Sudan at Nimule was awarded to M/s Mulwooza & Brothers Ltd and involves reshaping of the road by heavy grading, drainage works including installation of some culverts, earthworks, and re-gravelling of the entire section with 150mm gravel wearing course at a total contract price of UG shs 3.32 billion. Civil works commenced on 1st November 2008 and are expected to be complete within 8 months (by 29th July 2009). Works are supervised by the UNRA Station Engineer Gulu.

During the site visit, the monitoring team found the contractor fully mobilized on site, works were on-going with 57Km of the road graded, earthworks almost complete, and 38Km gravelled. Physical progress was estimated at 60% against a contract time progress of 48%. Physical progress of works was ahead of contract time progress and ahead of the planned schedule of works. Financial progress of the contract was at 39.6% and the contractor was not paid advance payment.

Implementation challenges identified included: transport constraints for contract supervision staff as the available pickups at the station had to be shared with works on-going under force account; prices of construction inputs like fuel which had increased before lately normalizing and therefore easing the pressure on the contractor's cash flow. The contractor was also experiencing difficulties in obtaining gravel material and water for construction in some areas.

vi) Kumi – Soroti Road (Emergency Repairs of Awoja Swamp).

The project involving periodic maintenance of 48Km of the road linking Kumi and Soroti districts was awarded to M/s Spencon Services Ltd and involves earthworks, swamp raising by 1m on a stretch of 3Km, culvert installation with end structures, base reconstruction/surface dressing of the 3Km stretch, and pothole patching/edge repairs on 45Km using asphalt, at a total contract price of UG shs 2.77 billion. Civil works commenced on 11th September 2008 and were expected to be complete within 4 months (by 10th January 2009). Works are supervised by the UNRA Station Engineer Soroti.

During the site visit, the monitoring team found the contractor fully mobilized on site, works were on-going with pothole patching more than 75% complete, 5 culvert crossings installed and culvert end structures under construction; and earthworks underway in the section without underlying utilities. Civil works in a section of 600m within the swamp were however at a standstill pending relocation of underlying asbestos water pipes and electricity lines within the road prism. Physical progress was estimated at 33% against a contract time progress of 53.7%. Physical progress of works was far behind contract time progress however, neither revised work programme nor revised completion date was yet in place. Financial progress of the contract was at 44% (including 20% advance payment). However a

cost overrun of UG shs 487.3 million (17.6% of original contract value), being the estimated cost for relocation of the underlying utilities, was projected.

Implementation challenges identified included delays in payment of advance payment, which in turn delayed the actual commencement date; delays in relocation of underlying utilities in a section of 600m earlier not foreseen; excessive interference from traffic as diversions were not possible within the swamp area; shortage of fuel within the district in the months of November and December 2008; and above normal rainfall experienced in the month of November 2008.



Pictures show on-going works – Headwall construction in Awoja Swamp and Pothole patching on Soroti – Kumi road

Vii) Fort Portal – Kamwenge Road

The project involves the periodic maintenance of 77Km of the road linking Fort Portal and Kamwenge districts and a community access road loop branching off at 4Km from the start of the main road. The Contract was awarded to M/s Kato Investments Ltd and involves drainage works, grading and gravelling of the entire road length with a layer of 150mm of gravel wearing course for a total contract price of UG shs 1.617billion. Civil works commenced on 13th February 2009 and are expected to be complete within 9 months (by 12th November 2009). Works are supervised by the UNRA Station Engineer Fort Portal.

During the site visit, the monitoring team found the contractor fully mobilized on site, works were on-going with grading of the entire road completed, and gravelling at approximately 2% completion. Drainage works had largely not commenced with only a few offshoots cleaned. Physical progress was estimated at 16.7% against a contract time progress of 14%. Physical progress of works was thus slightly ahead of contract time progress and schedule of works. Financial progress of the contract was at 14.5% and the contract is expected to finish within the contract sum and ahead of the expected completion date.

Implementation challenges identified included scarcity of good quality gravel within the free haulage distance of the project area.

National Roads Maintenance Programme - Implementation Challenges

Implementation challenges identified that are cross cutting on the National Roads Maintenance Programme included:

1. Transport constraints for contract supervision staff at several UNRA stations across the country. This was observed in Lira, Gulu and Masaka (3 out of 6 stations visited) and has limited the presence of supervision staff on site during construction.
2. Lengthy procurement processes that delayed commencement of contracted activities to mostly the third quarter and thus leaving insufficient time for completion of the projects before the end of the FY. It was observed that a big portion of the contracted activities are not likely to be completed by the end of the FY.
3. Delays in effecting advance payments for projects procured by MoWT in late FY 2007/08 caused delays in commencement of contracted works under the projects. This was occasioned by the time lost during the period of handover of contracts from MoWT to UNRA.
4. Capacity weaknesses of some contractors like M/s Sobetra (U) Ltd on Gulu – Pabbo road reportedly had cash flow problems leading to slow progress of works and extensive contract time overruns.
5. Scarcity of construction materials like gravel in Kabarole district and water in the northern region districts.

3.6.3 Karamoja Roads Development Programme (KRDP)

KRDP is a programme earmarked for the rehabilitation of 570 Km of district roads within Karamoja region in the medium term, funded by the European Union. This FY under Phase I of the programme, 165 Km were planned for rehabilitation with a total budget of UG shs 6.247 billion, of which UG shs 560 million had been paid to the contractors and €296,664 (UG shs 830.7 million) to the design and supervising consultant. The works have been contracted out in 4 contracts at a total cost of UG shs 21.44 billion and a design and supervision contract of €919,553.

The scope of works under the programme entails reshaping of the roads to 6.4m width (Class C standard), earthworks to raise low lying sections and cover gullies within the road prisms, drainage improvement, and regravelling of the entire length of the roads with 150mm thick gravel wearing course. Gender and equity issues were mainstreamed into the contracts for the works in form of health and safety issues like HIV sensitization and a requirement for the employment of trained councilors to sensitize the workers and surrounding communities on gender and health and safety issues. Other issues under consideration include the provision of boreholes in the community areas of the project as compensation for water for construction among other reasons.

Physical and financial progress of the contracts procured under the programme as at the time of monitoring was as shown in the Table 3.17 below:

Table 3.17: Planned Activities and Physical and Financial Progress of Works on KRDP

#	Contract Name	Contractor	Contract Sum (UGX)	Contract Period	Estimated Physical Progress	Financial Progress
1	Rehabilitation of Lokichar-Turtuko-Nyakwae road(44km) and construction of Nyakwae Bridge(21m span); Moroto District	Omega Construction Co. Ltd	4,618,036,600	11 Months	18%	0%
2	Rehabilitation of Kalapata-Piire road (44km); Kaabong District.	Eastern Builders and Engineers Ltd	5,607,936,130	9 Months	5%	0%
3	Rehabilitation of Girik River-Lokales-Karita road(21km) and construction of Girik River Bridge(30m span); Nakapiripirit District	Zimwe Construction	3,578,289,416	11 Months	0%	0%
4	Rehabilitation of Loro-Kakitekile road(31km) and Moroto-Nakiloro-Kenya Border road(28km); Moroto District	Mulwooza & Brothers Ltd	7,633,950,830	11 Months	15%	7.3%
5	Supervising Consultants	JBG Gauff Engineers	€919,553			32.3%
Totals			21,438,212,976 €919,553			

Source: Resident Engineer for the Supervising Consultant

The monitoring team visited Lokichar – Turtuko – Nyakwae road, on which it was observed that the contractor was not yet fully mobilised, and works done included bush clearing and limited shaping of the entire road. The team noted that the bridge at Km 36 had completely failed and should be replaced; and that the total length of the road is actually approximately 50Km and not the 44Km in the contract. The section after Km 44 is largely impassable with gullies up to 3m deep and therefore it would be prudent that the entire section is worked on in order to make Nyakwae trading centre accessible.

Implementation challenges included:

- Security related constraints that limit the contractor and supervising team movements on site and in addition limit the effective working hours in some areas to between 9 a.m. and 4 p.m.
- Scarcity of water for construction, as the only available water sources are the communal dams, which are jealously protected for cattle and domestic chores of surrounding communities.



Pictures show a failed bridge and galleys on Lokichar – Nyakwae road where works are ongoing in Moroto District.

3.6.4: Support to Tourism Infrastructure Development Programme

The programme entails the maintenance of district roads considered as crucial in supporting the tourism sector across the country. Last FY contracts for the maintenance of 6 district roads under this category totaling 238Km were procured, of which 145.5Km were completed during the FY, with the remaining 71.5Km spilling over to FY 2008/09. Additional 50Km in the districts of Sironko, Kabale and Kiruhura were planned for implementation this FY with a total budget of 1.0billion. Roads planned to be worked on and their respective statuses of implementation are as shown in the Table 3.18 below:

Table 3.18: Planned Activities and Status of Implementation under the Tourism Infrastructure Development Programme

FY 2007/08				FY 2008/09			
Road Name	Length (Km)	District	Status of Implementation	Road Name	Length (Km)	District	Status of Implementation
Kabale - L.Bunyonyi	8.5	Kabale	Completed	Kabale - Kachwekano - Heisesero	25	Kabale	under procurement
Katuna - Bigaga - Muko	72	Kabale	Completed	Sanga - L.Mburo	12	Kiruhura	under procurement
Hamurwa - Kanungu	46	Kabale/ Kanungu	Completed	Bulusani - Namuselele (Bunaseke)	13	Sironko	under procurement
Ikumba - Ruhija - Hamayanja	73	Kabale/ Kanungu	On-going				
Butogota - Buhoma	18	Kanungu	Completed				
Ntebeko - Ngahinga	6.5	Kisoro	On-going				
TOTALS	224				50		

Source: Information obtained from MoWT DUCAR department

At the time of monitoring, the programme had received a total release of 550 million, all of which had been expended (IFMS data) on payments outstanding for works completed in FY2007/08. Planned activities under FY2008/09 were still under procurement and therefore had not commenced.

The team visited Kabale – L. Bunyonyi, Katuna – Bigaga – Muko, and Ikumba – Ruhija – Butogota roads from which the following observations were made:

Table 3.19: Status of roads to support Tourism, completed in FY 2007/08

1. Kabale – L. Bunyonyi road (8.5Km)	Works had been completed according to scope, though the road had sections which were already in poor condition.
2. Katuna – Bigaga – Muko road (72 Km)	While works were reported as complete, the road was impassable in some sections indicating an obvious problem with either the scoping of works or the quality of the works done or both.
3. Ikumba – Ruhija – Hamayanja road (73Km)	Works were ongoing with limited equipment and without supervision on site. Spacing of gravel damped on the road was observed as irregular (ranging between 6-15m with a truck of 4m ³) indicating a thin layer of gravel which is unlikely to meet minimum standards. The road was also impassable in some sections earlier worked on.

Implementation challenges identified included:

- Lengthy procurement processes coupled with delays in commencement of the processes, which in turn caused delays in commencement of planned activities.
- Works were on-going without on-site supervision and hence shoddy works like placing of thin and non-uniform layers of gravel were evident.



Pictures show small heaps of gravel damped on a grassy section and a road bottleneck with an overloaded van on a completed section of Ikumba – Ruhija – Hamayanja road, Kabale/ Kanungu districts.

3.6.5: Area Based Agricultural Maintenance Programme (AAMP)

AAMP is a GoU programme that started in the year 2002 with four main components that include agricultural support, community mobilization, infrastructure development and programme management by a programme facilitation team. The programme was planned to cost US\$ 30million, funded by GoU

(10%), IFAD and ADB (90%). The programme area originally covered 10 districts in south western Uganda but was later extended to cover 16 districts including newly formed districts within the area. The intended closure date for the programme was 30th June 2008 but due to the amount of uncompleted works at the time, it received a 6-months extension to enable completion of the works. The infrastructure development component included the construction of markets, rehabilitation of community access roads (GoU/IFAD), and rehabilitation of 1120Km of feeder roads (ADB/GoU). The programme officially closed on 31st March 2009.

This FY the programme has a GoU allocation of UG shs 1.0billion (90% of the cost of civil works is paid directly to the contractors by ADB), of which UG shs 731million (71.3% of budget allocation) had been released and UGshs 721million (98.6% of release) had been spent. Planned activities included completion of the outstanding 140Km of feeder roads under the following contracts supervised by MBW Consulting Engineers:

1. Contract 13, rehabilitation of 78Km in Kanungu & Rukungiri districts
2. Contract 14, rehabilitation of 64.6Km in Ibanda district
3. Contract 16, rehabilitation of 84.75Km in Isingiro & Mbarara districts
4. Contract 18, rehabilitation of 86.4Km in Kabarole & Kyenjojo districts
5. Contract 03, rehabilitation of 36Km in Kabale District
6. Contract 11, rehabilitation of 43Km in Kisoro & Rukungiri districts

Physical progress of works under the above contracts was as in the Table 3.20 below:

Table 3.20: Planned Activities and Physical Progress of Works under AAMP

#	Contract Number/ Name	Contract Price (Ushs)	Variation (Ushs)	Revised Contract Price (Ushs)	Beneficiary roads	Length (Km)	Progress of works
1	Contract 13, rehabilitation of 78Km in Kanungu & Rukungiri districts	1,204,278,500	174,452,685	1,378,731,185	Kanungu - Kihihi	26.4	100.0%
					Kanyantorogo - Butogota	17.7	
					Rwerere - Bikurungu	34.0	
2	Contract 14, rehabilitation of 64.6Km in Ibanda district	972,049,750	139,240,400	1,111,290,150	Ruhoko - Kyarutanga	11.3	100.0%
					Bisheshe - Nyantsimbo	24.5	
					Kakoma - Nyarukika	14.8	
					Igorora - Rwomuhoro	14.0	
3	Contract 16, rehabilitation of 84.8Km in Isingiro & Mbarara districts	1,278,765,255	185,956,490	1,464,721,745	Biharwe - Bwizibwera	23.3	100.0%
					Masha - Kaberebere	17.1	95.0%
					Buhungiro - Rugaga	10.3	100.0%
					Rusonje - Kibengo	8.5	100.0%
					Kikagate - Kabuyanda	18.4	69.2%
Ndejja - Nyeihanga	7.2	58.7%					
4	Contract 18, rehabilitation of 86.4Km in	1,183,020,232	176,500,000	1,359,520,232	Kibale - Kyamutunzi	24.5	100.0%
					Kyakasura - Nyabuharwa	20.0	100.0%

#	Contract Number/ Name	Contract Price (Ushs)	Variation (Ushs)	Revised Contract Price (Ushs)	Beneficiary roads	Length (Km)	Progress of works
	Kabarole & Kyenjojo districts				Geme - Katojo	4.6	100.0%
Buhesi - Kabata					19.9	96.4%	
Rubona - Bukuku					17.4	93.6%	
5	Contract 03, rehabilitation of 34Km in Kabale District	1,681,659,252	-	1,681,659,252	Kabanyonyi - Maziba	17.1	67.2%
					Nyarutojo - Buhara	16.9	77.2%
6	Contract 11, rehabilitation of 43Km in Kisoro & Rukungiri districts	1,848,636,541	-	1,848,636,541	Kabahunde - Mukozi	7.0	100.0%
					Gasovu - Nyabwishenya	12.0	96.2%
					Busanza - Rutaka	8.0	100.0%
					Nyarushanje - Ikona	7.0	100.0%
					Omubarama - Ntungwa	9.0	100.0%

Source: Progress report by supervising consultant dated 26th March 2009

A field visit of some of the roads under Contract 16 was undertaken during the monitoring. The team inspected 3 roads in Isingiro district jointly with district officials, the consultant's representative, the contractor, and a representative from the Programme Facilitation Team. On Rusonje – Kibengo and Buhingiro – Rugaga roads, the team observed that the works had been substantially completed with a few defects for the attention of the contractor during the defects liability period. On Kikagate – Kabuyanda, the team observed that the contractor was still reasonably mobilized on site and ongoing works included road shaping, gravel stock piling, and drainage works. Works under this contract were estimated at 88% progress and were projected to complete by end of May 2009.

Challenges identified included:

1. Delays in payment to contractors due to bureaucracies within the donor payment system, which affected all contractors' cash flows and in turn their capacities to deliver works in time. This was especially experienced between July and December 2008.
2. Inclement weather due to changes in weather patterns in some areas, which affected effective planning for civil works and hence causing delays.
3. Challenging terrains in areas like Kabale and Kisoro; and capacity problems with some of the contractors procured for the works were the other reasons for delays in delivery of planned activities.
4. It was observed that works under the programme are ongoing without supervision staff on site as such the works were evidently substandard.



Pictures show ongoing maintenance works on Kikagata – Kabuyanda road, Isingiro district.

3.6.6: District, Urban and Community Access Roads Maintenance Programmes

District, Urban and Community Access roads (DUCAR) make up 67,300 Km which represents 86.2% of the entire road network in Uganda, broken down as 27,500Km of district roads, 4,800Km of Urban roads, and 35,000Km of Community Access roads. They are maintained by the respective local governments using central government conditional grants under the poverty action fund (PAF) and other donor supported programmes like the road sector programme support (RSPS) and the rural roads rehabilitation programme (RRP) supported by DANIDA, and to a limited extent using the local government development programme (LGDP) funds. MOWT provides the collective technical support and supervision to the local governments under the DUCAR department. During this FY, DUCAR maintenance programmes collectively have a total budget of UG shs 61.2 billion (5.2% of total sector budget) of which UG shs 31.2 billion (50.9% of total budget) had been released at the time of monitoring.

This financial year under the DUCAR maintenance programme, 23,000Km of district roads were planned for manual routine maintenance; 1,400km for district roads rehabilitation; 930km for district roads gravelling; 146Km for Urban roads resealing; 476Km for urban roads gravelling; and 570Km for community access roads rehabilitation. During the 3rd quarter the programme was monitored in 8 districts including Kampala, Apac, Kitgum, Pader, Soroti, Mbale, Kumi and Katakwi.

Annex Table 3.5 shows the respective summaries of work plans, releases and current status of planned outputs and expenditures.

Field findings:

(i) Apac District

The district has a total road network of 430 Km of which 115 Km is earmarked for upgrading to national roads status under UNRA, starting in FY 2009/10. This FY the district has a total budget of 1.695 billion for maintenance of the road network broken down as 394.7 million (23.3%) under PAF, 1.257 billion (74.1%) under DANIDA support to RRP and community access roads rehabilitation (CAR), and 43.4 million (2.6%) under LGDP. Planned works during the FY included routine maintenance of 124 Km, periodic maintenance of 110.3 Km, and rehabilitation of 51 Km.

At the time of the monitoring field visit, the district had received 649.3 million (39.3% of annual budget), of which 603.6 million (93.0% of releases received) had been spent. Works done included:

- a. Using Force Account:
 - routine maintenance of 68 Km (Chegere – Kidilani 15Km, Agong – Bala 16Km, and Apac – Inomo – Bala 37 Km)
 - Periodic maintenance of 17.9Km (Amii – Kidilani 8.8 Km, Alyat – Aboke – Alito 8Km, Aboke – Ginery – Apeta 1.1Km) which was still on-going
 - Periodic maintenance of 7 Km of Nambieso – Agwata road – Section I
- b. Labour Based Contracts:
 - Periodic Maintenance of Nambieso – Agwata road (11.6 Km) – Section II
 - Rehabilitation of Teboke – Aduku road (27 Km) – currently at 87% completion.

The monitoring team visited Chegere – Kidilani, where it was observed that routine maintenance had been done but the road had overgrown grass already; Teboke – Aduku road, where the team observed finished works in the first 18 Km and on-going gravelling of the last 9 Km; and part of Amii – Kidilani road where the team observed on-going works to repair and protect the road at a swamp at the end of the road link, which had been cutoff during the last rainy season.

Implementation challenges in the district included: high road maintenance costs due to the natural terrain on which many swamps subsist, insufficient funding for the maintenance of the entire road network, and irregular releases that affect the programming of works.

(ii) Kampala City Council

This FY, UG shs 15 billion was appropriated for the maintenance of KCC roads. Planned activities were expected to cost UG shs 17.073 billion and thus KCC has submitted a supplementary budget request to cover the extra 2.073 billion. Cumulative releases for the KCC roads maintenance amounted to UG shs 8.5 billion (56.7% of budget provision) of which UG shs 4.28 billion (50.4% of total release) had been expended.

The Contracts for the periodic maintenance of tarmac roads (7.02 Km) – Package 3, and Upgrading of gravel roads to bitumen standard (6.65 Km) – Package 4, which collectively make up 46% of the budget for the planned activities, were selected for monitoring this quarter.

(a) Periodic Maintenance of Tarmac Roads (7.02 Km) – Package 3

This contract which involves the periodic maintenance of 11 roads within Kampala city was awarded to M/s Zzimwe Enterprises, Hardware and Construction Ltd for a contract sum of 3.78 billion. Civil works which were scoped differently as shown in the Table 3.21 below commenced on 10th January 2009 and are expected to be complete within a period of 6 months (by 10th July 2009).

Table 3.21: Roads Planned for Periodic Maintenance under Package 3

ID	Road Name	Length (km)	Existing Surface type	Intended Scope of Works
1	Ntinda – Kisaasi	2.0	Single Bitumen Surface Treatment	Reconstruction
2	Katalima Crescent	0.9	Gravel	Upgrading to Double Bitumen Surface Treatment
3	Luwuum Lane	0.25	Gravel	Reconstruction with Asphalt wearing course
4	Allen road	0.7	Gravel	Upgrading to Double Bitumen Surface Treatment
5	Hamu Mukasa Road	0.58	Gravel	Upgrading to Double Bitumen Surface Treatment
6	Kafumbe Mukasa road	0.65	Asphalt	Overlaying
7	Katazamiti Road	0.63	Gravel	Upgrading to Double Bitumen Surface Treatment
8	Bishop Campling road	0.2	Gravel	Upgrading to Double Bitumen Surface Treatment
9	Muduka Road	0.4	Gravel	Upgrading to Double Bitumen Surface Treatment
10	Kibira Road	0.71	Asphalt	Partial reconstruction and asphalt surfacing
11	Kiteezi Road	5.0	Surface Dressing	Pothole Patching/ Shoulder repairs

Source: Progress Report by supervising consultant, Prome Consultants Ltd.

During the site visit, the monitoring team visited all the roads with on-going works, which included Ntinda – Kisaasi road, Katazamiti road, Bishop Campling road, and Kibira road.

- On Ntinda – Kisaasi road, it was observed that the road is actually 1.53Km and not 2Km in the contract (i.e. excluding the 470m worked on under the Kampala Northern Bypass Project). Ongoing works included construction of the sub-base and base

layers which were nearing completion, and surfacing with asphalt which had covered 270m. Progress of works on this road was estimated at above 70% completion.

- On Kibira road, the contractor had substantially completed the works and had demobilized.
- On Katzamiti and Bishop Campling roads, progress of works was at setting out and formation construction level.

On all the roads, the team observed that the contractor was using poor construction methods during setting out and formation, which was leading to weak shoulders and weak shoulder/ drain interfaces. Progress of works was estimated at 30% against a contract time progress of 26.0% and a financial progress of 20% (covering advance payments only).



Pictures show ongoing drainage works with a weak shoulder/ drain interface on Ntinda – Kisaasi road and completed works on Kibira road.

(b) Upgrading of Gravel Roads to Bitumen Standard (6.65 Km) – Package 4

The contract which involves the upgrading of 5 roads within Kampala city from gravel to paved standards was awarded to M/s Multiplex Ltd at a sum of UGX 3.113 billion. The civil works which are planned to cover the roads in the Table 3.22 below involve earthworks, construction of new drainage systems, pavement layers and a bituminous surfacing. The works commenced on 10th January 2009 and are expected to be complete within a period of 8 months (by 10th September 2009).

Table 3.22: Roads Planned for Upgrading to Tarmac Standards under Package 4

No.	Road Name	Length (Km)
1	Mukasa Road – From Bukasa Road to Tank Hill Road	1.5
2	Bukoto – Kyebando Road – From Bukoto/Kisaasi road to Northern Bypass	1.25
3	Kyebando Road – From Hoima road to Wakaliga Road	0.8
4	Nsooba – Kyebando Ring Road – From Mawanda Road to Gayaza Road	2.1
5	Chorley Crescent – From Port Bell Road to Port Bell Road	1.0
	TOTAL	6.65

Source: Progress Report by supervising consultant, Prome Consultants Ltd.

During the site visit, the monitoring team visited the roads with on-going works, which included Mukasa road (from Bukasa road to Tank hill road), and Nsooba – Kyebando road (from Mawanda road to Gayaza road). The following were the observations made:

- On Nsooba – Kyebando road, the road is actually 1.6 Km not the 2.1Km in the contract (i.e. excluding 500m worked on under the Kampala Northern Bypass Project). Works were in progress at setting out, site clearance and formation construction levels. Several affected demolished property within the road prism were observed though it was not possible to establish whether any due compensation had been made.
- On Mukasa road, works were in progress at setting out, site clearance and formation construction levels. The team observed the on-going compaction tests of the formation by personnel from MoWT Central Materials Lab in Kireka.

Progress of works under the contract was estimated at 5% against a contract time progress of 18.1%. Financial progress was at 0% as no payments to the contractor had been made.

The team further observed that:

- i. Bukoto – Kyebando road (1.25 Km) which was included in the contract had already been worked upon under a different programme and therefore should not have been part of the project. This together with the 500m on Nsooba – Kyebando road brings the total of invalid length of the project to 1.75 Km (26.3% of total contract length). This is irregular and ought to be taken up with a view of realizing a saving on the project, which can be utilized on an additional road.**
- ii. The supervising consultant had not been availed with the signed contract and was administering the contract on the basis of the contractor's bid document which indicates a bid sum of UG shs 2,450,870,665/- yet KCC had indicated in their 2nd quarter progress report that the planned cost of the works was shs 3.113 billion. This glaring contradiction on the cost of the works coupled with the apparent withholding of the signed contract from the supervising consultant hired to administer the contract is very irregular and ought to be clarified alongside due consideration of KCC's request for a supplementary budget.**

Implementation challenges identified include:

- Lengthy procurement cycles which typically complete between November and December, forcing the delayed commencement of planned works.
- Over a prolonged period, the city roads have been mostly funded for routine maintenance yet more than 60% of the paved road network requires full rehabilitation. This has led to an overwhelming occurrence of potholes which has failed to be sufficiently addressed by routine maintenance alone.



Pictures show MoWT Central Materials Lab officials testing compaction on Mukasa road, and Clearance works with affected buildings on Nsooba – Kyebando ring road.

(iii) Katakwi District

The district has a total road network of 276Km of which 91Km is earmarked for upgrading to national roads status under UNRA starting FY 2009/10. This FY the district has a total budget of 1.385 billion for maintenance of the road network broken down as 127 million (9.2%) under PAF, 1.257 billion (90.2%) under DANIDA support to RRP and CAR. Planned works during the FY included routine maintenance of 175Km, rehabilitation of 35Km, low cost sealing of 5Km, and repair of structural and road bottlenecks on one district road and selected community access roads.

At the time of the monitoring field visit, the district had received 497 million (35.9% of annual budget), of which 141.5 million (28.5% of releases received) had been spent. Ongoing/ completed works included:

a. Using Petty Contractors:

- Manual routine maintenance on 175 Km for 3 months out of the 6 months planned.

b. Labour Based Contract:

- Rehabilitation of Katakwi – Usuk road (10.0 Km) – awarded under RSPS in FY 2007/08. Works were completed and is under defects liability period.
- Rehabilitation of Usuk – Adachar (Section 1– 6Km) – RRP (ongoing at 20% progress)
- Rehabilitation of Adachar – Arengecora (Section 2 – 8 Km) – RRP (ongoing at 40% progress)
- Repair of bottlenecks on Ongongoja – Obwobwo road – CAR (completed and under defects liability period)

The monitoring team visited all the Labour based contract projects noted above where it was observed that road clearing and shaping was ongoing on Usuk – Adachar and Adachar – Arengecora roads. Works on both roads were contracted out in 2 sections each and works were ongoing on only one section of each road. On Katakwi – Usuk and Ongongoja – Obwobwo roads, the team visited the completed works and observed that there were

outstanding defects including smoothing and compaction of the gravel wearing course and addition of gravel backfill on newly installed culverts.

Implementation challenges in the district included:

- Slow release of funds for road maintenance, which inhibited commitment levels in terms of issuing of contracts for the planned works.
- Long procurement procedures and late commencement of the procurement process, which have delayed commencement of most of the outsourced planned activities.

The team noted that all contracts for planned activities had been awarded apart from the one for low cost trial sealing of 5Km, which had not yet been advertised for lack of guidelines. Contracts under CAR were also yet to be procured.



Pictures show ongoing works using labor based techniques by Karamajong communities on Adachar – Arengecora road in Katakwi district. The project is supported by DANIDA under RRP

(iv) Kitgum District

The district has a total road network of 341Km of which 78 Km is earmarked for upgrading to national roads status under UNRA starting FY 2009/10. This FY the district has a total budget of 1.628 billion for maintenance of the road network broken down as 353 million (21.7%) under PAF, 1.257 billion (78.3%) under DANIDA support to RRP and CAR. Planned works during the FY included routine maintenance of 285 Km, periodic maintenance of 25.2 Km, rehabilitation of 43.4 Km, construction of a bridge, vented drift and culvert crossing, and swamp filling on one community access road.

At the time of the monitoring field visit, the district had received 615.1 million (37.8% of annual budget), of which 419.3 million (68.2% of releases received) had been spent. Works done included:

- a. Using Petty Contractors:
 - 1 cycle (out of 3 planned annually) of manual routine maintenance on 285 Km.
- b. Labour Based Contracts:
 - Rehabilitation of Kitgum Matidi - Bulunzi road (6 Km) – works on-going

- Rehabilitation of Ayoma – Alume road (6 Km) – currently at 30% completion
- Rehabilitation of Corner Ogwech – Awino Olwiyo road (10 Km) – completed.

The monitoring team visited Ayoma – Alume road, where it was observed that site clearance and road reshaping had been done to completion but drainage works and gravelling were yet to commence; Corner Ogwech – Awino Olwiyo road, where the team observed that the works had been substantially completed and the contractor had demobilized from the road.

Implementation challenges in the district included:

- Long procurement procedures which delayed commencement of planned outsourced activities for the 3rd quarter. The team noted that the procedures have increased this financial year with the coming on board of an extra requirement for a due diligence check of intended contract agreements by the solicitor general’s office in Gulu.
- Internal delays of transfer of funds received at the district to the department account and delays in obtaining the allocations for the receipts. For example, it was noted that the allocations sheet for the November releases was obtained on the 16th January 2009 yet the district collection account had been credited on 24th November 2008. Similarly, January releases were credited on the district collection account on 30th January 2009, the works department was advised of the release on 15th February 2009, but the funds hadn’t been credited on the department account by the date of the team’s visit on 9th March 2009.

(iii) Kumi District

The district has a total road network of 323Km of which 108 Km is earmarked for upgrading to national roads status under UNRA starting FY 2009/10. This FY the district has a total budget of 1.541 billion for maintenance of the road network broken down as 282 million (32.7%) under PAF, 1.258 billion (81.7%) under DANIDA support to RRP and CAR, and 64.3 million under LGDP. Planned works during the FY included routine maintenance of 230Km, periodic maintenance of 8.5Km, rehabilitation of 44Km, low cost sealing of 6 Km and repair of bottlenecks on one district road and selected community access roads in 5 sub-counties.

At the time of the monitoring field visit, the district had received 589.1 million (38.3% of annual budget), of which 418.7 million (71.1% of releases received) had been spent. On-going/ completed works included:

- a. Using Petty Contractors:
 - Manual routine maintenance on 230 Km (first month out of the planned 6 months) – PAF funded
- b. Labour Based Contracts:

- Rehabilitation of Murita – Kanyum road section I (7.0Km) – RSPS 2 (ongoing from last FY) – progress of works was estimated at 53%
- Rehabilitation of Murita – Kanyum road section II (5.5Km) – RRP (progress at 77.3%)
- Rehabilitation of Kobwin – Kodike road (5 Km) – RRP (progress estimated at 15%)
- Rehabilitation of Kamachar – Atatur road (8.9Km) – RRP (progress estimated at 70%)
- Rehabilitation of Kumi – Malera road (5.5 Km) – RRP (Progress estimated at 90%)

The monitoring team visited Murita – Kanyum road sections I & II, Kamachar – Atatur road and Kumi – Malera road. All the roads had on-going works, which included gravelling, road shaping, fills in swamps, culvert installation and construction of road protection works and culvert end structures. A general observation was that compaction of the gravel wearing course was not achieved on almost all the roads partly due to insufficient moisture in the gravel during compaction but also because all the contractors were using pedestrian rollers whose compactive effort would require many more passes for the required compaction to be achieved.

Implementation challenges in the district included:

- Slow release of funds for DANIDA supported programmes which form the larger part of planned activities (81.7%). At the time of monitoring, only 33.3% of the budgeted funds had been released for the programmes.



Pictures show ongoing road protection works on Kumi – Malera road in Kumi District.

(iv) **Mbale District**

The district has a total road network of 189.9Km of which 43Km is earmarked for upgrading to national roads status under UNRA starting FY 2009/10. This FY the district has a total budget of 1.573 billion for maintenance of the road network broken down as 315.9 million (20.1%) under PAF, 1.257 billion (79.9%) under DANIDA support to RRP and CAR. The district also expects to get 635 million under the northern Uganda social action fund (NUSAF) and 693 million under the community agricultural infrastructure improvement programme (CAIP). Planned works during the FY included routine

maintenance of 118.45Km, periodic maintenance of 45Km, rehabilitation of 63.8Km, and the rehabilitation of 60Km of community access roads within 3 sub-counties.

At the time of the monitoring field visit, the district had received 603.3million (38.4% of annual budget). On-going works included:

a. Using Petty Contractors:

- Manual routine maintenance on 118.4 Km (2 months out of the planned 7 months) – PAF funded

b. Labour Based Contracts:

- Periodic maintenance of Mutoto – Bulujele road (3.85 Km) – Danida
- Periodic maintenance of Nabumali – Busano (9.3 Km) – Danida
- Rehabilitation of Mutoto – Busimba road (6.0 Km) – Danida
- Rehabilitation of Mulatsi – Busoba road (4.85 Km) – Danida (progress at 40%)
- Rehabilitation of Boarder – Bukingala (5.0 Km) – Danida
- Rehabilitation of Namagamba – Nakusi road (3.0 Km) – Danida

c. Mechanized maintenance

- Rehabilitation of Community Access Roads in 3 sub-counties under CAIP (60 Km) – ADB/GoU funded
- Periodic maintenance of Siira – Musota road (5 Km) – PAF (progress at 95%)
- Periodic maintenance of Mulatsi – Bukiende road (7.1Km) – PAF (progress at 90%)
- Periodic maintenance of Namunsi – Nakaloke road (2.5Km) – PAF (progress at 65%)
- Periodic maintenance of Nakaloke – Kolonyi road (3.1 Km) – PAF (progress at 65%)



Pictures show ongoing works on Namunsi – Nakaloke – Kaloyi and Mulatsi – Busoba roads in Mbale district.

The monitoring team visited Siira – Musota, Mulatsi – Musota, Mulatsi – Bukiende, Namunsi – Nakaloke, and Nakaloke – Kolonyi roads. All the roads had on-going works, which included gravelling, road shaping, fills in swamps, culvert installation and construction of road protection works and culvert end structures. A general observation was that while the works were on going and on some roads nearly complete, financial progress

on all the contracts was 0% as contractor had neither been paid for the works nor advance payment.

Implementation challenges in the district included:

- Lengthy procurement procedures, which forced the planned activities to commence within the third quarter.

(v) Pader District

The district has a total road network of 520Km of which 245 Km is earmarked for upgrading to national roads status under UNRA starting FY 2009/10. This FY the district has a total budget of 1.647 billion for maintenance of the road network broken down as 538.5 million (32.7%) under PAF, 1.108 billion (67.3%) under DANIDA support to RRP and CAR. Planned works during the FY included routine maintenance of 436 Km, periodic maintenance of 109 Km, rehabilitation of 77.4 Km, construction of a bridge, installation of culvert crossings, and removal of bottlenecks from selected community access roads.

At the time of the monitoring field visit, the district had received 702.6 million (42.7% of annual budget), of which 48.5 million (6.9% of releases received) had been spent. On-going/ completed works included:

- a. Using Petty Contractors:
 - 1 cycle (out of 3 planned annually) of manual routine maintenance on 436 Km – PAF funded
- b. Labour Based Contracts:
 - Periodic Maintenance of Adilam – Paimol road 39 Km – PAF funded
 - Periodic Maintenance of Kalongo – Buluji road (10 Km) – RRP
 - Periodic Maintenance of Patongo – Lukee (22 Km) – RRP
 - Periodic Maintenance of Pader – Latanya – Dure (21 Km) – RRP
 - Periodic Maintenance of Puranga – Corner Acuru (10 Km) – RRP
 - Periodic Maintenance of Lanyatido – Koyo Lalogi – Lapul Ochwida (28.5 Km) - RRP
 - Rehabilitation of Kalongo - Kongul (39.2 Km) – RSPS 2 (ongoing from last FY)
 - Rehabilitation of Pader - Kalongo (38.2 Km) – PAF III (ongoing from last FY)

The monitoring team visited Pader – Latanya – Dure road, where it was observed that works on the road had been contracted out in two sections in both of which works had just commenced during the previous week. The Contractors in both sections of the road had completed site clearance and were commencing road reshaping. The team also visited Kalongo – Kongul road (39.2 Km) on which it was noted that works had been contracted out in 3 sections leaving out 1 extra section due to financial constraints. It was observed that while the district engineer had reported that one of the sections of the road was complete, the said section was bumpy, the placed gravel had not been compacted at all and

backfill on culvert crossings were not complete! Similar shoddy works that don't meet specifications were observed on the other sections as well to the manifestation of weak supervision of the contracts. It was observed that the district obviously requires technical support in order to obtain acceptable works from the planned activities. The condition of all the roads the team used while in the district was very poor and yet many of them had not been planned for major activities and absorption of the received funds was equally very low.

Implementation challenges in the district included:

- Long procurement procedures which delayed commencement of planned outsourced activities to the 3rd quarter. The team noted that the procedures have increased this financial year with the coming on board of an extra requirement for a due diligence check of intended contract agreements by the solicitor general's office in Gulu.
- Transport constraints for supervision staff. The district engineer's office has 2 old pickups which were grounded with mechanical breakdowns pending procurement of a maintenance contractor.
- Low quality contractor who require a lot of supervision, are poorly resourced and who have not had training in labor based technologies.

(vi) Soroti District

The district has a total road network of 329Km of which 150Km is earmarked for upgrading to national roads status under UNRA starting FY 2009/10. This FY the district has a total budget of 1.647 billion for maintenance of the road network broken down as 389.6 million (23.7%) under PAF, 1.257 billion (76.3%) under DANIDA support to RRP and CAR. Planned works during the FY included routine maintenance of 328.8Km, periodic maintenance of 94.6Km, rehabilitation of 38.3Km, low cost sealing of 4Km, and repair of structural and road bottlenecks on some community access roads.

At the time of the monitoring field visit, the district had received 646.3million (30.2% of annual budget), of which 213.7 million (33.1% of releases received) had been spent. Works done included:

- a. Using Petty Contractors:
 - Manual routine maintenance on 329 Km.
- b. Labour Based Contract awarded under RSPS in FY 2007/08
 - Rehabilitation of Atirir – Oringo Boarder road (12.6 Km) – works on-going

The monitoring team visited Atirir - Orungo road, where it was observed that the Contractor had completed widening of the road to 6m, road shaping, installation of culverts and fills in swampy areas. Gravel works and other drainage works like construction of headwalls and excavation of offshoots were on going.

Implementation challenges in the district included:

- Long procurement procedures and late commencement of the procurement process, which have delayed commencement of all outsourced planned activities. The team noted that even with 3 months left to the end of FY 2008/09, not a single road maintenance contract for the planned activities had been awarded yet! The district is very unlikely to fully implement the planned activities within the remaining time.
- Cash flow constraints faced by contractors against the background of the district council's decision to suspend advance payments on contracts.

3.6.7 Recommendations

1. Lengthy procurement procedures were observed across the board leading to delays in implementation of planned activities. Typically, all procured works commenced between the 3rd and 4th quarter. PPDA advised implementers through the press to have procurement plans in place as a way of cutting down on lead time in procurement but accounting officers interviewed during the field visits had genuine deferring views that may need to be considered. National discussions to streamline procurement procedures and increase effective implementation time for government planned activities are thus necessary.
2. Slow release of funds (donor component which typically make up 80% of the annual budgets) in DANIDA supported districts was inhibiting commitment levels for the planned activities and hence affecting performance of respective district roads maintenance programmes. This needs to be streamlined well in time to enable commencement and ample time for completion of the planned activities.
3. Procurement of construction works for low cost trial sealing of district roads (DANIDA funded) planned in some selected districts had not been started due to absence of guidelines. MoWT should be prompted to expeditiously provide the necessary guidelines as to enable the procurement processes to commence.
4. Shoddy works on district roads were observed in some districts like Pader and it was further observed that districts generally operate in weak quality management regulatory framework which needs to be improved. MoWT should be requested to develop policies for better management of quality of works on district roads and to make the supervising technical officers more accountable for the quality of works.
5. The monitoring team observed that the Support to Tourism Infrastructure Development Programme is on-going without supervision staff on site. The contracts were originally supervised by MoWT district engineers but following transfer of the field stations and ongoing contracts on national roads to UNRA, contracts issued under the programme were left without supervision staff on site. The programme is now supervised by a

project manager based at the MoWT offices in Entebbe. MoWT ought to explore ways of bridging the supervision gap through a supervision consultant or otherwise.

6. Delays in the transfer of funds received at districts to the department accounts and delays in obtaining allocations for the releases received on the district collection accounts was observed in Mbale, Soroti and Kitgum districts. This needs to be streamlined to enable better accountability at the district level.

3.7. Water and Sanitation

3.7.1. Introduction

Financial and physical performance was monitored for the Vote Functions of Rural Water Supply and Sanitation (RWSS), Urban Water Supply and Sanitation (UWSS) and Water for Production (WFP), as they account for 91% of the sector's budget. Monitoring focused on seven centralised projects managed by the Directorate of Water Development (DWD). For RWSS 'Support to Rural Water Supply' was monitored. The UWSS projects monitored included 'Rural Towns Water Supply and Sanitation,' 'Energy for Rural Transformation,' 'Support to Small Towns Water Supply and Sanitation,' 'South Western Towns Water Supply and Sanitation and 'North Eastern Towns Water Supply and Sanitation.' For WFP, progress in the completion of three dams and four valley tanks was monitored.

Financial performance used IFMS data to analyse the absorption rate and whether funds for development projects were being used for high or low priority areas, to assess operational efficiency. High priority expenditure was defined as "building and other structures," as this reflects investment in hardware activities. Low priority expenditures are those which are recurrent in nature, including; allowances, workshops and seminars, travel inland, fuel and vehicle maintenance. Whilst these recurrent expenditures are required in all development projects, their composition should not exceed more than 10% of the total budget.

Outputs for projects were monitored against the Q2 Progress Report submitted by the Ministry of Water and Environment (MWE) to MFPED. Using primary and secondary data a checklist of performance criteria was completed which covered aspects of financial progress and completion of works compared with work plan targets, functionality, reliability, quality of water, management and gender mainstreaming efforts.

Sources of information included officials from DWD, Chief Administrative Officers (CAO), District Engineers, District Water Officers, Town Clerks, Town Engineers, Sub-County and Parish Chiefs, National Water and Sewerage Corporation (NWSC), Private Operators (POs), and teachers where interventions were in schools. All visits were spot checks.

Criteria for sampling projects to monitor

- Projects with expected physical progress planned for Q3.
- Projects and geographical locations not previously monitored, which included South Western, Western, Central and Karamoja regions. Previously, monitoring efforts focused on the Northern, Eastern and West Nile regions.
- Three of the projects monitored were follow-up's of earlier monitoring visits, which were expected to be complete in Q1 and the deadline had been extended.

3.7.2. Rural Water Supply and Sanitation

This Vote Function contributes to the sector objective of “The sustainable provision of safe water within easy reach and hygienic facilities.” Overall, RWSS receives the largest share of the sector budget at 42%, of which 82.1% of resources are decentralised through the District Water and Sanitation Conditional Grant (DWSCG)²². This grant was not monitored, as most districts are planning to start physical progress at the end of Q3 and in Q4 due to late finalisation of procurement procedures

(a) Support to Rural Water Supply Project

The project aims to develop the capacity of local district water offices particularly through the Technical Support Unit (TSU) modality. Of the seventeen planned outputs listed in the FY08/09, Q2 progress report only nine involve physical construction. Of these, no physical progress or expenditure has been reported for two outputs and five outputs are still under procurement. Therefore, only three outputs were monitored, which include two Presidential Directives.

Financial performance

The FY08/09 budget is 3.477bn including arrears. Up to the end of Q3, 3.47bn had been released and 2.89bn was spent, which is an 83% expenditure rate. If funds on encumbrances are also considered, absorptive capacity is at 93%, which is high. In terms of operational efficiency, 42% of the expenditure was allocated to “buildings and other structures” and 7% to specified recurrent items, indicating that spending is focused on high priority areas.

Physical performance

(i) Expected Key Output: Extension of piped water supply system from Butiaba Army Barracks to the community of Butiaba, Buliisa district (Presidential Directive)

The pipe line extension has been laid and taps are in place but it does not extend to the community. The piped water supply system (PWSS) is not functioning and water has never been supplied or tested for quality, as operations and maintenance (O&M) costs were not considered at the time of construction. Buliisa district does not receive an O&M grant and the army is not prepared to pay for additional costs for fuel to supply the generator or chemicals to treat the surface water. Using the DWSCG and with support from the Uganda Red Cross, planning is underway to construct a Gravity Flow System (GFS) which will extend water to four communities.

(ii) Expected Key Output: Replacement of GFS taps for the extension of the PWSS

The PWSS is being extended to Ryeru and Kichwamba subcounties in Bunyaruguru County, Bushenyi district. Due to an initial design fault two separate contracts were issued

²² Water and Environment Sector Performance Report 2008, Ministry of Water and Environment, pg.23 and pg.36

for this project. A contract was awarded to the lowest bidder in 2006 based on a design by Bushenyi district. However, a second contract had to be negotiated as some locations were not included in the initial design, which took 9 months to finalise. The second contract is ongoing and the completion date has been extended by 2 months to May 2009.

Water is flowing even though the PWSS has not been commissioned. Around 70% of the tap stands are functioning in Ryeru Sub-county. In Kichwamba Subcounty water runs for intermittent periods and is only available for four hours a day. Some water testing has been done by the directorate of water development (DWD), but not on a regular basis. A water and sanitation board (WSB) is in place and has been trained, with nine members of which two are women. However, a private operator still needs to be procured, whereby some public tap stands have been running for around 1 year and 2 months without any revenue collection.

(iii)Expected key output: Construction of an emergency borehole in Toroma Girls Primary School, Katakwi district (Presidential Directive)

A surveying company identified a proposed site more than 1km away from the school. The drilling company failed to construct a borehole due to a low water table. The contractor has been paid shs 15,782,490 for the failed drilling cost. The school did not receive any information about whether an alternative will be sought by the local authorities or DWD. Plans are now in place to connect the school to an extension of the PWSS.



Pipe line extension that does not reach Butiaba community from the army barracks



Failed drilling site at Toroma Girls Primary School

Challenges and recommendations summary

- **Slow procurement process for the district water and sanitation conditional grant (DWSCG):** Slow progress has been made under the DWSCG, where most outputs will be delivered in Q3 and Q4, which is contrary to work plan targets submitted to MWE and MFPED. This results in a rush to complete activities towards the end of the FY to avoid returning the unspent funds. Efforts must be undertaken to improve the utilisation of the grant. It is recommended that supervision of timely procurement procedures is followed by the chaie administrative officers (CAOs). TSU functions could also be extended to provide oversight on district procurement procedures to ensure timely implementation.

- **Lack of planning for operations and maintenance (O&M):** The failure to plan for O&M costs and satisfactorily complete the extension has meant that the community is not benefitting from the treated piped water. It is recommended that in future, provision of piped water takes into consideration O&M costs as a prerequisite for gaining approval and funding.
- **Lack of adequate design:** Negotiations for a second contract for the PWSS in Bunyaruguru County could have been avoided if the design documents were reviewed before the contract was awarded. It is recommended that designs and feasibility studies are thoroughly reviewed, with signatory approval from the relevant Engineer in DWD before a contract is awarded.

3.7. 3. Urban Water Supply and Sanitation

This Vote Function contributes to the sector objective of “Provision of viable urban water supply and sewerage/sanitation systems for domestic, industrial and commercial uses.” UWSS receives 38% of sector funding, which includes DWD managed projects, O&M grant to districts and support to NWSC.

(a) Rural Towns Water and Sanitation Project

This project is jointly financed by GoU and the African Development Bank (ADB). The project aim is to construct water supply systems and basic sanitation facilities in seven rural towns, including solid waste management and latrine facilities in 178 primary schools. The project interventions are in Iganga (Lot 1), Mityana, Mpigi and Kigumba (Lot 2) and Apac, Nebbi and Pakwach (Lot 3).

Mityana, Mpigi and Kigumba were monitored in Q3 as the other locations were covered in previous quarters. The aspects monitored included the status of the piped water supply systems in the towns, latrines (VIP and ECOSANS) in primary schools and public sanitation facilities. For all three locations the intended completion date for the PWSS was 3rd July 2007. Works were actually completed in March 2008 and the system currently falls in the defects and liability (D&L) period. Political and technical commissioning has taken place.

In general, this project has made good progress despite the delays, which were largely due to late releases by MFPED in FY07/08. There have been positive interventions such as combining water supply and public sanitation efforts in schools and towns. Gender and equity concerns were considered in the construction of public sanitation facilities. This should be replicated for similar projects. Likewise, gender guidelines have been given due consideration for WSBs although the proportion of females to men still needs improvement.

However, there was no provision for public stand pipes or back up power supply to national grid such as generators or solar panels. This should be considered by the local authorities and the private operator (PO) to increase reliability and access. The long term success of the project will depend on how the PO manages O&M including revenue

collection and increasing connections to meet the growing demand and ensure sustainability.

Financial performance

The total GOU budget including arrears for FY08/09 is 12.48 bn Ush including arrears. Up to the end of Q3, 11.3bn has been released and 10.5bn has been spent, which is 92%. If funds on encumbrance are also considered, expenditure is at 97%. For operational efficiency, spending on low priority areas is only 1%. Spending on “buildings and other structures” is 17%.

Physical performance

(i) Expected Key Output: Completion of PWSS, progress of VIP construction in primary schools and public sanitation facilities in Mityana town

- **PWSS:** In total there are 1,400 connections. The contractor completed 977 and the PO did the remainder. The system is functional although there are some remaining snags. The power supply for the system is the national grid and due to power shortages water is supplied around 60% of the time, as there is no back up generator. Water is being tested on a regular basis. There is a trained and active WSB, with five members including one female.
- **School latrine construction:** Completion was intended for August 2008, which was revised to October and now a date of late March 2009 was set. Delays are due to internal management problems with the contractor. The construction of the latrine works are not up to standard.
- **Public sanitation:** The construction of public latrines and the waste disposal system has been a success and led to major improvements in the public sanitation of Mityana.

(ii) Expected key output: Completion of PWSS, progress of VIP construction in primary schools and public sanitation facilities in Mpigi town

- **PWSS:** In total there are 874 active household connections and 420 connections pending. The system is functional with some small snags remaining. Water supply is irregular as there are power shortages from the national grid and no back up generator. Records show that water is tested on a regular basis. There is a trained and active WSB, which comprises of two women.
- **School latrines:** There are 15 schools which benefited from the construction of latrines and commissioning was scheduled for 2nd March 2009. Some aspects of the construction still require improvement and schools have been assured these will be rectified before commissioning.
- **Public sanitation:** There are two public latrines that have been constructed under the project. These are not in use and the cleanliness needs to be improved. The

Town Council needs to improve its monitoring of the subcontractor to ensure facilities are kept clean and that fees are being collected.

(iii) Expected key output: Completion of PWSS, progress of VIP construction in primary schools and public sanitation facilities in Kigumba town

- **PWSS:** There are 688 active connections and the system is around 95% functional, as some remaining defects need to be addressed. Water supply is irregular, as national grid is the main power source and there is no back up generator. Water is tested on a regular basis, with around 15 tests per month. There is an active WSB, which comprises of three men and two women.
- **Public sanitation aspects:** A public latrine has been constructed and is functional.
- **School latrines:** These were constructed in 6 schools and were handed over in December 2008. However, not all work has been satisfactorily completed. For example, in Kigumba Church of Uganda Primary School there is no disabled toilet in place on the boy's side, as required.

Challenges and recommendations summary

- **Unsatisfactory construction of school latrines:** Delays in the construction have largely been due to lack of competency on behalf of the contractors, particularly in Mpigi and Mityana. It is recommended that procurement procedures be improved to ensure that only competent firms are used and are adequately supervised. Firms producing low quality works should be blacklisted.
- **Irregular power supply:** As back-up generators have not been provided water supply is intermittent. It is recommended the provision of sustainable power supply such as solar panels should be included as a prerequisite for gaining approval for future projects.
- **Unsatisfactory work by the contractors:** In certain cases, such as Mpigi the pipes were laid too close to the ground. This means they are easily damaged and leads to high levels of unaccounted water. It is recommended that supervision of contractors by consultancy companies should be improved to avoid unsatisfactory work.

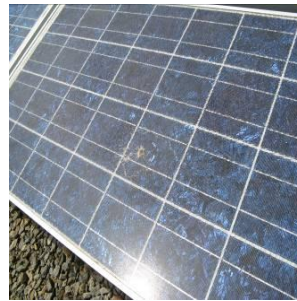
(b) Energy for Rural Transformation – Water Component

This project began in 2002 and is due for completion in 2010. This project aims to address the constraints on water supply due to lack of sustainable power through providing the least cost energy solutions for mechanised piped water supply systems. Monitoring efforts focused on the installation of energy packages (solar panels) in eight locations. These included Muhooro rural growth centre (RGC), Kyenjojo town, Rugombe RGC, Mahyolo RGC, Rwebisengo RGC, Katakwi town, Matany RGC and Nakiperimolu RGC. In all locations the output “*finalisation of defects liability for energy packages*” was expected as this was reported in the MWE, Q2 progress report.

Overall, of the eight locations visited, the solar panels were being effectively utilised in three places and in one location there was grid power. In the other four locations challenges in implementation are due to mechanical problems with the energy packages or because the PWSS the solar panels are supposed to support are not functioning. There was general concern that faults with the energy packages may be rectified within the defects and liability (D&L) period and will break down soon after. It is strongly recommended that DWD invests in the training of operators who should be provided with guidelines as soon as possible, given the lack of local expertise in this area. DWD should also consider extending the D&L period to help operators troubleshoot for problems.



Energy package installed but not utilised as PWSS is not functioning, Rwebisengo RGC, Bundibugyo district



Solar panel damaged by stones, Matany RGC, Moroto district

Financial performance

The FY08/09 budget is 0.35bn. In total 0.27bn had been released for this project, of which 0.216bn had been spent, which represents 79% absorption rate. In terms of operational efficiency, 28% of the budget has been spent on high priority areas and 10% on low priority areas. This implies that for ERT Phase II consideration has to be given to how funding for low priority areas can be reduced.

Physical performance

(i) Expected key output: finalisation of defects liability energy package in Katakwi town

The energy package is nearly complete and is being utilised. Some works are remaining such as placing lintons underneath the energy package and completing the iron sheets for the security official's room. Operators for the system need to be trained, and there are currently no manuals or guidelines. There have been frequent breakdowns with the energy package and the contractor was slow to respond. The energy package is underutilised as it is being used for only one low yielding borehole. Even if sufficient energy is generated the borehole can only be pumped for 20 minutes at a time, which does not provide enough water to supply the reservoir tank. A generator is used at night to ensure there is sufficient water supply and therefore the O&M costs are still high.

(ii) Expected key output: finalisation of defects liability for energy package in Rugombe RGC, Kyenjojo district

A renewable energy package (solar panels) has not been installed. Water is being pumped using grid power, which is irregular.

(iii) Expected key output: finalisation of defects liability for energy package in Kyenjojo town

The solar panels are complete but do not produce enough energy to supply sufficient water to fill the reservoir tank. At maximum performance between 25,000m³ and 30,000m³ can be pumped a day and so a generator is still being used. The consultant, Norplan Uganda Ltd. claims the contractor, COIL Ltd., is at fault for installing the wrong inverter. The contractor states the consultant is responsible due to a design fault. Ultimately, the consultant is responsible for ensuring the correct materials are being used according to design and specification, thus implying poor supervision. (However, there is concern that the PO is claiming low performance to continue receiving an energy subsidy, which will be monitored by the TSU).

(iv) Expected key output: finalisation of defects liability for energy package in Mahyolo RGC, Kamwenge district

The energy package is complete and is being used to supply water to the capacity required, without the aid of a backup generator. However, the ECOSAN has been constructed close to the water source and does not meet the required standard, leading to the possibility of contamination. The construction company, COIL Ltd. has not paid for security since December 2008. The energy package has not been formally handed over but is being used. Therefore, the Sub-county and DWD are each claiming the other party is responsible for paying security costs.

(v) Expected key output: finalisation of defects liability for energy package in Matany RGC, Moroto district

The energy package has been constructed and is being used to pump water. Due to inadequate security, two of the panels have been damaged.

(vi) Expected key output: finalisation of defects liability for energy package in Muhooro RGC, Kibaale district

The solar panels have successfully replaced the generator and are being used to supply water. However, the ECOSAN was not constructed according to design specifications and there are risks of the water being contaminated.

(vii) Expected key output: finalisation of defects liability for energy package in Rwebisengo RGC, Bundibugyo district

Prior to the installation of the energy package, generators were used to pump water. Initially the solar panels successfully pumped water for around eight months, at a level sufficient to supply the capacity of the reservoir tank. An automation switch was not installed and so it was operated manually, even though no formal training has been provided. Since then there have been ongoing mechanical problems with the solar panels, the PWSS is not functioning and there is currently no piped water.

(viii) Expected key output: finalisation of defects liability for energy package in Nakiperimolu Sub-county, Kotido district

The solar panels have been installed and are functional. However, there are problems with the PWSS so the solar panels are underutilised.

Challenges and recommendations summary

- **Unresponsive contractors and lack of supervision:** This was a problem in Katakwi town and Rwebisengo RGC. Likewise, in Kyenjojo town better supervision by the consultancy company would have ensured correct materials are used to improve on the performance of the energy package. It is recommended that for ERT Phase II procurement procedures are strengthened to ensure that the most competent firms are selected.
- **Underutilisation of the energy package:** In Katakwi town and Nakiperimolu (Kotido) the solar panels were installed but not used effectively due to poor functionality of the PWSS. It is recommended that the selection criteria for locations to benefit from energy packages should ensure that the PWSS is fully functioning, with O&M support, a private operator and a WSB.
- **Poor quality sanitation facilities:** In Mahyolo RGC (Kamwenge) and Muhooro RGC (Kibaale) the ECOSANS constructed were not up to standard and risk contaminating the water. This situation would have been avoided if the consultancy company was properly supervising the works. For future energy packages, it is recommended that if the contractor does not have competency in ECOSAN construction that part of contract is awarded separately.
- **In adequate security:** As the energy packages were being used but had not been officially handed over in Mahyolo RGC and Rwebisengo RGC it was not clear who held responsibility for paying for security. In Matany RGC and Nakiperimolu RGC the security provisions were inadequate, leading to panels being damaged. It is recommended that future projects clearly state who is responsible for paying for security and that provisions are increased in insecure areas.

(c) Support to Small Towns Water Supply and Sanitation Project

This is a countrywide programme financed by GoU, DANIDA and GTZ under the Joint Partnership Fund, which started in 1999 and is due to be completed in 2013. The project aims to construct water supply and sanitation facilities, conduct community sensitization and build the capacity of water authorities and systems operators. Monitoring efforts focused on the completion of piped water supply systems in Kibaale, Kamwenge and Kyotera.

In each of the three sites visited this quarter there were delays in project implementation, whereby piped water services are expected to be delivered almost a year after the initial date, largely due to the contractors inability to procure materials in time. This implies that supervision of the project by the consultancy companies needs to be improved.

Financial performance

The FY08/09 budget is 6.73bn. So far 4.79bn had been released and 4.35bn had been spent, which represents 91%. If encumbrance is considered, the absorption rate is 97%

which is high. Expenditure on this project shows 52% to be on high priority areas and only 4% on low priority areas, indicating operational efficiency.

Physical performance

(i) Expected key output: Completion of PWSS in Kibaale town

The PWSS was due to be complete on 16th June 2008 but works are still ongoing. The revised date is May 2009. Remaining works include the installation of taps and meters, and pumps for the pumping system. The treatment unit and intake are incomplete. The two public toilets are complete. The delays have been due the contractor not being paid on time, and therefore not being able to import pumps on time.

(ii) Expected key output: Completion of PWSS in Kamwenge town

The PWSS was due to be complete in Q1 FY08/09, which was the time of the first monitoring visit. So far, around 95% of the works have been completed. Most of the works remaining are on the intake. There is no back up generator in case of power shortages from the national grid. The delays were caused by the contractor experiencing delays in procuring pumps and not receiving payments on time, even though money had been released from MFPED.

(iii) Expected key output: Completion of PWSS in Kyotera town

The PWSS was due to be complete in December 2008. However, works are still ongoing and the revised completion date is now April 2009.

Summary of challenges and recommendations

- **Delays in payments:** Works in Kibaale and Kamwenge towns were delayed due to late payments to contractors. However, IFMS records for FY08/09 show that up to mid-March 2009 funds are still available on the project account. It is therefore recommended that DWD clears payments certificates as soon as possible when funds are available to avoid accumulation of interest payments. This may involve streamlining internal payments procedures.
- **Poor contract management:** Increased supervision of the project could also have reduced the delays. It is recommended that supervision by the consultancy company is improved.

(d) South Western Towns Water Supply and Sanitation Project (Water and Sanitation Development Facility)

This project started in 1996 and is due for completion in 2011. It is currently in the third phase and is being implemented through a Water and Sanitation Development Facility (WSDF) with a regional office in Mbarara. The Austrian Government and the European Union provide 90% of funding with the remainder from GoU. The project aims to supply piped water and ECOSAN facilities in a total of seventeen districts.

The locations monitored included Bikurungu in Rukungiri district, Rugaaga RGC in Isingiro district, Katerera RGC and Kyabugimbi RGC in Bushenyi district, Hima RGC in Kasese district, Omugyeni RGC and Rwenanura RGC in Ntungamo district. Of the seven

locations sampled, it was expected that four would be complete (with piped water flowing) and three would be undergoing construction. However, only one PWSS was complete. The other three PWSS were experiencing long delays of over one year due to the construction company being unable to procure materials required and contentions over the water source. For the three PWSS where construction was expected to be ongoing, works are progressing, but are likely to be completed after the specified contract date.

Despite these challenges, compared to other UWSS projects centrally managed by DWD, there are clear benefits of the WSDF approach as operations are decentralised and demand driven. Participation and ownership is promoted as community members are required to fulfill four key obligations in order to qualify for the project²³. There was also greater involvement of the District Water Officers and Sub-county officials, whereby they have access to basic documentation on the project and receive regular communication on the works. Also, where power supply is irregular, solar panels have been included as part of the project design to ensure reliable water supply. An area for improvement is to construct ECOSANS that have access for people with disabilities.

Financial performance

Overall absorption has been low, as most of the intended outputs are under design stages. The FY08/09 budget is 1.24bn. Up to the end of Q3, 0.88bn has been released for this project. 0.26bn has been spent, which is 29%. As GoU only funds 10% of this project, an analysis of these figures does not accurately reflect absorption of the project. In terms of operational efficiency, 8% of expenditure has been on low priority areas and only 7% on high priority areas. This indicates that budgeting for this project for next FY should consider increasing the GoU component on high priority areas.

As operations are based in Mbarara one challenge has been in accessing GoU funds. Development Partners deposit funds directly to the account in Mbarara. It is recommended that in order to ease operations, GoU funds should also be deposited in the same account.



Supervision of works at Hima RGC, Kasese district



ECOSANS with no access for people with disabilities

Physical performance

(i) Expected key output: Completion of PWSS and 7 ECOSANS in Bikurungu, Rukungiri district

²³ The requirements include having a commercial bank account for revenue collection, securing land for the project, forming a WSB and joining the umbrella organisation.

The PWSS was due to be complete in 27th Sept 2007 but there is still no water running. The seven ECOSANS are complete and are being used by the community. All of the structures are in place and the connections have been completed but the contractor, Asiguyo Energy Systems, has been unable to procure a necessary pump for the last eighteen months. There are also no solar panels in place and the water office block is incomplete. A Water and Sanitation Committee has been formed which has six women and five men.

(ii) Expected key output: Completion of PWSS and 7 ECOSANS in Rugaaga RGC, Isingiro district

Rugaaga RGC had the same contractor as Bikurungu, which has been unable to procure the necessary pump and so there is no piped water. The water office block has never been used or maintained and is covered with bushes. A frame has been installed but there are no solar panels in place. The ECOSANS have been constructed.

(iii) Expected key output: Completion of PWSS and 7 ECOSANS in Katerera RGC, Bushenyi district

The PWSS is complete, water is flowing and technical commissioning took place on 13th December 2008. Even though the PWSS has been commissioned there are some remaining works and the response rate from the contractor has been slow. The office block is not complete, as solar panels and an ECOSAN need to be constructed. Further work is needed to protect the source. Two kiosks are not working.

(iv) Expected key output: Completion of PWSS and 7 ECOSANS in Kyabugimbi RGC, Bushenyi district

The PWSS was supposed to be complete in November 2007 but works are still ongoing. The delays were due to the source of water being located in the neighbouring Karyango Sub-county, which was not due to benefit from piped water from the initial design. The scope of works has since been expanded and works should be complete soon. A WSB has been formed with five members of which two are female but they still need to be formally trained.

(v) Expected key output: Commencement of works for a PWSS in Hima, Kasese district

In Hima the design and procurement process has been completed and construction has started. Works to date include more than 2km of pipeline constructed, iron sheets on the office block and cast flooring for the reservoir tanks. Works are due to be complete in August 2009 and there are no significant challenges to report.

(vi) Expected key output: Commencement of works for a PWSS in Omugenyi, Ntungamo district

The project started on time in January 2009 and is due to be complete in June 2009. Around 70% of the works are finished and remaining works include plumbing for the kiosks and reservoir tank, distribution main and completion of four ECOSANS. The works are likely to be delayed, as the contractor did not complete the trenching works according to the specifications.

(vii) Expected key output: Commencement of works for a PWSS in Rwenanura RGC, Ntungamo district

The project is currently within the contract period and an estimated 40% of works are complete. There were initial delays to the project because the community was concerned that the protected spring that is used as the water source would be damaged, and therefore forced the contractor to leave the site. Following sensitization meetings some design specifications were changed so that the community could still access the spring whilst construction works were ongoing.

Summary of challenges and recommendations

- **Incompetent contractors:** In Bikurungu and Rugaaga RGC the contractor has been unable to procure a pump for the last eighteen months, which suggests incompetency. Unless the pump is procured and installed soon there will be no value for money from these constructions. In Katerera there has been a poor response rate from the contractor. It is recommended that procurement procedures are improved to recruit quality firms and that such firms are not used again.
- **Improved design through consultations with the community:** With Kyabugimbi RGC and Rwenanura RGC works were delayed because of design changes following protests by the community. It is recommended that designs for other PWSS ensure there are adequate consultations with the communities concerned, to avoid changes once construction starts.

(e) North Eastern Towns Water and Sanitation Project – BADEA

The purpose of this project is to expand the water supply capacity of various municipalities in the towns of Soroti, Sironko and Kabermaido and carry out feasibility studies for provision of water in other North Eastern Towns. This monitoring visit is a follow up from Q1. Works were expected to be completed in Kabermaido, Kalaki, Otuboi and Atirir, 50% completion was expected in Amuria.

Financial performance

The FY08/09 budget is 4.26bn. So far, 3.76bn has been released for this project, of which 2.96bn has been spent, representing a 79% absorption rate. In terms of operational efficiency, only 1% of the project is spent on low priority areas and 24% is spent on high priority areas.

Physical performance

(i) Expected key output: Completion of PWSS in Kalaki, Atirir, Kaberamaido and Otuboi

The PWSS is now complete and commissioning has taken place. The reservoir tank in Opiyai, which was under construction in Q1 is complete. For the three municipalities of Kalaki, Atirir and Otuboi a total of 110 connections have been made, including ten to institutions and public stand posts. The PWSS is functional, although there are some remaining snags. The pipeline has been damaged during recent road works, which had stopped water supply in Kalaki and Kaberamaido. There was evidence of NWSC working

on this. The public toilets installed are also functional and well maintained. Water is being tested on a regular basis. A WSB still has to be formed.

(ii) Expected key output: Progress in construction of PWSS in Amuria

Works are due to be completed in August 2009. The remaining works include mains extension, erection of overhead tank, distribution network in town from the tank and household connections. The main works ongoing include pedestals for extension of the pipeline and excavation for the pipe laying.



Public toilet functioning, Kaberamaido



NWSC working on broken pipeline

Summary of challenges and recommendations

- **Lack of district water officer's (DWO) participation in the implementation of works:** Basic documentation on the project, including scope of works was not availed which limited the supervision support NWSC engineers were able to provide. It is strongly recommended that the local authorities charged with responsibility for a water system once it is complete is availed with all documentation, including contract data and technical documents at the time of construction.
- **Delay in works:** The contractor used the 6 months pf defects and liability (D&L) period to complete the works and so there is no time span for which the contractor is responsible for addressing defects. It is recommended that in such instances the contract period is extended to ensure there is an effective D&L period.
- **Low quality works:** The damaging of the pipeline during the recent road works were largely due to the pipes being placed too close to the surface. It is recommended that the supervision by consultancy companies be improved.

3.7.4. Water for Production

This Vote Function contributes to the sector objective of the “Provision and effective use of water for production” and currently receives 11% of the budget allocation, which is projected to increase next FY. Seven outputs were monitored including Mayikalo dam and Bwanalaki dam in Sembabule district, Kagamba valley tank, Obwengyerero valley tank and Kagango dam in Isingiro district, Nshenyi valley tank and Rubaare valley tank in Ntungamo district.

Financial performance

The FY08/09 budget is 7.52bn. So far, 5.86bn has been released. 4.52bn has been spent, which represents 77%. If encumbrance is considered, the absorption rate is 82%, which is fairly high. Water for production vote can be assessed as operationally efficient, as 45% of expenditure was on high priority areas and only 4% on low priority areas.

Physical performance

(i) Expected key output: Progress in construction of Bwanalaki dam, Sembabule district

This dam was monitored in Q1 FY08/09 as the initial completion date was in Q4 FY07/08. During the time of the initial monitoring visit the BMAU team was informed the dam would be completed at the end of 2008, but construction is still ongoing and will be complete at the beginning of April 2009. The delays have been attributed to poor performance on the part of the contractor, Coronation Developers (U) Ltd. There were also some changes to the design of the dam which required additional work and works were affected by the rainy season.

(ii) Expected key output: Progress in construction of Kagamba Valley Tank, Isingiro district

Works were supposed to start in August 2008 but actually began on December 1st 2008. Works are due to be complete around July 2009. Construction is ongoing and according to the site personnel 55% of works are complete. Delays to the start of the work have largely been caused by challenges over land acquisition, whereby locals are still demanding compensation for the land, and the low capacity of the contractor.

(iii) Expected key output: Progress in construction of Kagango dam, Isingiro district

Works on this dam were scheduled to start on 15th July 2008 and are due for completion on 14th July 2009. According to the progress report, works should be 60% complete but the site visit suggested far less progress had been made. Due to changes in designs as requested by the community, the contractor and machinery were not present on site and there was no security. There was also no evidence of public sanitation facilities constructed around the dam.

(iv) Expected key output: Progress in construction of Mayikalo dam, Sembabule district

Works on this dam started on 24th July 2008 and are due to be complete on 24th July 2009. Construction is ongoing with personnel and machinery in place. Works are currently ahead of schedule and so completion is expected before the due date. Local people have not been compensated for the construction of the dam, which has led to resistance. This should be seen to immediately by the local authorities.

(v) Expected key output: Progress in construction of Nshenyi Valley Tank, Ntungamo district

The valley tank was completed in FY07/08. However, additional works were required due to poor maintenance and a need to construct troughs for cattle with pumping systems and

sanitation facilities around the dam. The new works are scheduled for completion in March 2009. However, only around 50% of the works are complete and the contractor has not been on site for over a month. The troughs have been renovated but pumps have not been installed and ECOSANS have been built, which are not currently used. Delays were due to late payments to the contractor, which have since been cleared.

(vi) Expected key output: Progress in construction of Obwengyerero Valley Tank, Isingiro district

Works on the dam started in July 2008 and are due to be completed in July 2009. The contractor is currently excavating the site. However, difficulties were faced in securing land for the construction of the valley tank. The District Water Office does not have access to any of the technical documents on the valley tank, which limits their supervisory role.

(vii) Expected key output: Progress in construction of Rubaare Valley Tank, Ntungamo district

Works were supposed to be complete in August 2008 but the completion date was extended to December 2008 and construction is still ongoing. Once complete, the dam will mainly be used for horticultural purposes. According to the contractor, around 80% of the works are complete. Some intake works are remaining. Delays have been caused by late payments to the contractor, even though WFP has received full releases from MFPED.



Works ongoing,
Obwengyerero
Valley Tank



Bwanalaki
dam near
completion

Summary of challenges and recommendations

- **Poor performance of the contractors:** In the case of Bwanalaki dam, Obwengyerero Valley Tank and Kagamba Valley Tank, the contractors lacked competency, which has caused delays. It is recommended that based on such experiences, the same construction company is not used for similar projects and that procurement procedures be improved.
- **Land acquisition:** For Kagamba Valley Tank, Mayikalo dam and Obwengyerero Valley Tank, works were disrupted as land issues had not been resolved, where local people were awaiting compensation. It is recommended that local governments demonstrate evidence of securing land before construction begins.
- **Delayed payments:** With Nshenyi valley tank and Rubaare Valley Tank works were delayed as payments were not made on time by DWD, even though a release had been made by MFPED. It is recommended that payment certificates are cleared

speedily by DWD following a release by MFPED to avoid accumulation of interest payments.

Chapter 4: Conclusions and Recommendations

4.1 Conclusions

(a)Public expenditure management

1. Except for the agriculture sector, releases were below the expected 75% of approved budgets. It was lowest for industrial parks where only 57% of the approved budget had been released. However, the absorption capacity of the sectors was also poor. Except for education where 93% of the releases were spent, other sectors spent less, with the worst performer being health with only 55% spent.

2 There were discrepancies between IFMS sector financial records when compared to performance reports of the health; and works and transport sectors. The variations were noted for releases as per IFMS records compared to what sectors acknowledged as receipts; as well as between expected sector expenditures for budget lines.

This means that the IFMS financial data continues to be unreconciled with sector financial information, making the former an unreliable basis for budgetary decisions.

3. There was good flow of domestic development funds within the selected local governments, as all funds were remitted on a timely basis to the reviewed departments. However, the departments had low absorptive capacity because of the lengthy procurement processes. There were also instances when the Ministry of Finance remitted funds to local governments without details of intended use of such funds which was also a source of delay.

(b)Agriculture

(i)Fish Markets

1. All sampled fish markets were not completed and were therefore not operational. In some instances the contactors had actually abandoned the sites for the past many months.

2. In a number of cases, the markets were not equipped with the required freezers, a cost that was being passed on to the districts/town councils. Unfortunately, the local governments did not budget for the equipment.

3. In all instances, the beneficiaries were unsatisfied with the market designs (in terms of space, number of stalls, roofing of structures) and complained about the lack of consultation by MAAIF.

(ii)Fish Landing sites

1. For the sites under Spenco Services Ltd, progress was good and quality of work appreciated. The opposite was noted for the Dembe and Liberty contractors where work was substandard and slow. It was evident that the Dembe consortium had weak capacity that was exacerbated by the internal wrangles which were fueled by political interference in some instances.

2. In some sites, high tech equipment has been installed. However, there is no capacity within the respective local governments to operate the equipment. In addition local governments have already expressed fears about anticipated maintenance costs.

3. Some landing site facilities did not cater for the access needs of people with disabilities.

(iii) Aquaculture

The civil works was progressing well, although there were initial delays. For Kajjansi, the concerns were about inadequate staffing and equipment as well as high input costs. For Gulu it was the limited participation of the local government that is expected to operate the centre.

(iv) Vegetable Oil Development Project

1. Construction of The Kalangala Oil Palm Growers' Trust office block, and the oil palm mill are ongoing following the lengthy procurement processes.

2 Land acquisition is still a problem as it gets scarce and more expensive. Fifty seven percent of the required 400 ha of land has been surveyed and titled.

3. The out-growers are dissatisfied with the poor maintenance and fertilizer application on their fields, which is breeding distrust between the out growers and Oil Palm Uganda Limited (OPUL).

4. Some palm fruits are ready but farmers have rudimentary harvesting technology.

(c) Education

The sector continued to implement activities outside the agreed upon work-plan. For project activities under non residential buildings; and renovation and equipping of buildings, a total of **shs 665,335,500 was spent on unplanned activities. Although the accounting officer has the prerogative to change work-plans, this should be justified and communicated to the Finance ministry as per signed performance contract.**

(i) Emergency Construction and Rehabilitation of Primary schools

The sector reported (in quarter 2 progress report) having spent shs 319,000,000 on four primary schools. However, there are concerns about 3 of the 4 schools. The Unit has established that Namiyango primary school in Mbarara district **does not exist**; Masuliita primary school **did not receive funds in Q2** except the delayed shs 79,000,000 that was disbursed in Q1; and Nakasuwa primary school in Mayuge district got a top-up of shs 25, 000,000 to complete a school established through a local fundraising initiative by the area MP.

It is therefore evident that most of the shs 319 million was not expended on this component.

(ii) ADB III Education project

Construction of the seed schools was largely completed in many cases and it was good quality work. However, the limited community participation in the projects threatens effective maintenance of the structures.

(iii) GoU Seed schools

Most visited schools had good quality work. This was in Pader, Masindi, and Ibanda, districts. However, Gogonyo S.S in Pallisa district had shoddy work by Kamukamu Construction Company. The concern by all local governments was lack of information on the planned construction activities in their areas, which weakened their supervisory function.

(iv) Construction of USE schools

Generally construction of USE schools was progressing fairly well although the approved budget of shs 75,000,000 was said to be inadequate and was delaying completion of activities. However there were also instances of poor quality work (Busalamu SS in Iganga district) where the contractors had not redressed the defects.

(v) School facilities grant (SFG)

Majority (6 of 9 visited) districts had delayed in SFG construction due to procurement processes. A challenge that was faced was the supply price for desks at shs 45,000 each which suppliers had shunned as it was deemed to be very low.

(vi) Business, Technical and vocational education training (BTVET)

Majority of BTVET institutions (6 of 8) that the sector reported to have worked on during quarter 2, had actually received the funds and work was at various stages.

However two institutions, the National Meteorological centre in Entebbe, and Nabyeya Forestry College in Masindi that were also said to have received funds during that quarter, had not been funded.

(vii) Primary Teacher colleges and National Teacher Colleges

- Good work was in progress in Kabale Bukinda Core PTC.
- A number of PTCs had received TV sets; DVD players and educational materials on HIV/AIDS.

(viii) Technical Vocational Education and Training, P7 Graduate Enrolling Institutions

Good work was in progress in Kitagata Farm school in Bushenyi district.

(ix) Presidential Pledges

Apart from Nkoko Technical institute in Mayuge district, construction work on all other institutions had not started as yet. Reasons for the delays included, lengthy procurement processes, as well inadequate budgetary provisions for the works.

(x) Education Standards Agency (ESA)

1. The agency is tasked to enhance the supervision function within the sector. Although 2.5bn was provided this FY, there were concerns about the meager provisions for operations.

2. The Agency has noted the many weaknesses within school operations that are responsible for the poor quality of education. The concerns range from teacher absenteeism, and poor preparations for teaching that have rendered the thematic curriculum non functional. The inadequate school books and absence of school feeding have exacerbated the problem.

3. Most of the above issues have been on the books for decades and government should take steps to seriously address them. The inspection itself is faced with problems of limited facilitation, and poor monitoring tools.

(d) Energy

(i) Bwindi HEP

1. Currently 60% of the project is completed. The project is behind schedule and completion has been shifted a year forward (June 2009). This has been a result of the conditionalities of locating in Magahinga/Bwidi Forest the home of the mountain gorillas where the contractors had to minimize “noise” levels.

2. In addition, the dam and channel are situated in a dense forest served with many small streams that have demanded for drainage of sites on many occasions.
3. Uganda Wildlife Authority did not permit construction of roads on the land which have made ferrying of materials slow and expensive.

(ii) Ishasha HEP

1. Currently 40% of project has been completed, and is only one month behind schedule.
2. The major challenge has been land acquisition where land titles from the Kanungu Land Board are not forthcoming. This is affecting the company, Eco Power that needs the land title to reach financial closure with its lenders.
3. There are also issues of tax waivers that URA offered to Eco Power but excluded the latter's suppliers. Eco Power is not ready to pay taxes to the suppliers, which is hampering willingness of suppliers to deliver goods and services.
4. There are also rampant thefts of project construction materials, especially cement and fuel.

(iii) Buseruka HEP

1. Forty percent of the project is complete, and is only one month behind schedule.
2. The major challenge was the wrong geological survey report that was given to the company, Hydromax Ltd that has caused expanded scope of work and hence delays and cost overruns.
3. There are also a number of land disputes in the project area. One purported "new owner" of the land was compensated thus causing cost overruns. There other squatters who have emerged, possibly in anticipation compensation too. These wrangles and lack of a land title for Hydromax has meant delayed financial closure with the banks (ADB and PTA Nairobi Bank).
4. URA is demanding for 0.5% of the US\$ 19 million loan as stamp duty, a cost that was not planned for.
5. The difficult topography (project located at the edge of the rift valley with steep slopes) has made access difficult, particularly for the construction materials.
6. There are also rampant thefts of project construction materials, especially fuel.

(iv) GTZ Energy Installations in Masindi, Kayunga and Jinja districts

Masindi

1. A solar system was installed in Hope North Vocational School in Masindi. This school in a resettlement camp has been transformed in its operations and is now using ICT. The challenge is the overload that the acquired equipment is putting on the solar system.

2. Although an energy needs assessment was done for Panyandoli Secondary School in 2007, no solar system has ever been delivered.

3. Solar PVC systems were installed in 9 health units, resulting in improved morale for the health staff. However, there were concerns of poor maintenance; and thefts resulting from inadequate security around the health facilities.

Kayunga

Nine health Units received the Solar PVC systems, which has enhanced staff motivation. However, there were concerns of poor maintenance; and thefts resulting from inadequate security around the health facilities.

Jinja

Fifteen health Units received the Solar PVC systems, which has enhanced staff motivation; and operations particularly in immunization and assisted deliveries. However, there were concerns of poor maintenance; and thefts resulting from inadequate security around the health facilities.

(e) Health

1. Of the 4 visited mental health facilities under construction, good progress was noted at Masaka and Mubende hospitals. However, work had not started in Moroto and Kanungu because one contractor was over loaded with work on many sites.

2. Good work was progressing in Masaka and Buhinga Regional Referral Hospitals. However, in Masaka there were critical unfunded priorities which include an operation theatre and mortuary.

3. Civil works under PHC in districts was at different stages. Of the 16 visited districts work was ongoing except in Sembabule, Kasese, Mubende, Bukedea and Kapchorwa. The delays were a result of slow procurement except in Kapchorwa where the delay was caused by a disagreement on priorities between the district and MoH.

4. *Communication gap.* Most of the districts visited reported that they had not been consulted in the selection of capital development priorities this FY. In other cases, facilities identified by MoH were not considered as priorities in some districts. This has led to delays in contracting out works in some districts for example Kapchorwa.

The same poor communication had some districts unaware of the sector reallocations that were effected in September 2008!

5. *Shortage of medical equipment and health supplies:* Health facilities are experiencing shortage of medical equipment including forceps, scissors, and gloves among others especially following the re-allocation of funds earlier allocated for procurement of such equipment to payment of allowances to health workers. In addition there are several health facilities that have been constructed in the recent past but are currently not functional due to lack of equipment and health workers.

6. *Staffing levels:* Districts are consistently failing to attract and retain health works. The most affected categories are Medical Doctors, Dispensers, Laboratory Technicians and Anesthetists. The private sector and neighboring countries are offering higher remuneration than the public sector.

7. *Staff housing:* Districts have a shortage of staff houses. Health workers that are based in rural health centers are not able to find decent accommodation (for hire) in their neighborhood and resort to residing in towns. They incur transport costs and are not able to report for work daily which partly explains the high levels of absenteeism.

8. *Hard to reach and stay areas:* Remote districts like Bukwo, Moroto, Kanungu and Bundibugyo are disproportionately affected by the shortage of health workers. These districts are hard to reach, hard to stay and their rural areas lack social amenities like schools that children of health workers would attend. There is therefore no incentive for health workers to work in these districts.

(f) Industrial Parks

1. Civil works on infrastructure developments were ongoing and at various stages at Namanve, and Luzira Parks.
2. In Mbarara industrial park, the sitting tenants in industrial related businesses were using the facility without any clear guidelines.
3. In Mbale land procurement had been done but the land was heavily encroached on, but valuations had been made for compensation. However the agreement was not clear on who was to effect the compensations.

(g) Roads

(i) National Roads Maintenance programme

The seven roads visited were at various stages of completion. At all sites work was ongoing but was behind schedule for Gulu-Pabbo road, and the Awoja swamp on Kumi-Soroti road. The Busega-Mityana road had defects on finished parts, as well as emerging new potholes.

The general areas of concern include:

- Transport constraints for contract supervision staff at several UNRA stations across the country. This was observed in Lira, Gulu and Masaka (3 out of 6 stations visited) and has limited the presence of supervision staff on site during construction.
- Lengthy procurement processes that delayed commencement of contracted activities to mostly the third quarter and thus leaving insufficient time for completion of the projects before the end of the FY. It was observed that a big portion of the contracted activities are not likely to be completed by the end of the FY.
- Delays in effecting advance payments for projects procured by MoWT in late FY 2007/08 caused delays in commencement of contracted works under the projects. This was occasioned by the time lost during the period of handover of contracts from MoWT to UNRA.
- Capacity weaknesses of some contractors like M/s Sobetra (U) Ltd on Gulu – Pabbo road, who reportedly had cash flow problems leading to slow progress of works and extensive contract time overruns.
- Scarcity of construction materials like gravel in Kabarole district and water in the northern region districts.

(ii) Karamoja Roads Development Programme

1. The Lokichar-Turtuko-Nyakwae road was visited and the contractor had not fully mobilized. The works contract covers only 44kms instead of the whole 50kms, leaving the impassable stretch of the road out!

2. Issues for slow implementation included insecurity that limited operations of the contractors. In addition the company was facing acute water shortage that was affecting the construction works.

Of concern was the lack of payment to most (3 of 4) contracts by government.

(iii) Support to Tourism Infrastructure Development

1. All roads to be worked on this FY were still procuring contracts.

2. Two of the roads completed last FY (Kabale- L. Bunyonyi road; and Katuna-Bigaga-Muko road) had impassable portions already, a sign of substandard work that was done.

3. The Ikumba –Ruhija-Hamayanja road was under construction with limited supervision and equipment. There was evidence of shoddy work, with irregular spacing of gravel. In fact the worked on portions were already impassable!

(iv) Area based Agricultural Maintenance Programme

Rehabilitation work had been substantially completed on many roads. However of concern were issues of:

1. Limited supervision that lead to substandard work being done in many areas.
2. Slow disbursements because of the lengthy donor procedures.

(v) District, Urban and Community Access Roads

Civil works was ongoing in various stages.

1. In Kampala City Council, the periodic maintenance of tarmac roads, under Zzimwe Enterprises was substandard. They were using poor construction methods during setting out and formation.

There was also over costing of contracts for both Zzimwe and Multiplex. Under Zzimwe, the Ntinda-Kisaasi road was 1.53 km and not 2km as 0.47km had been worked on under the Northern Bypass project. Similarly, for upgrading gravel roads to bitumen by Multiplex, the Bukoto-Kyebando road (1.25km) that had been worked on under another programme was included. In addition, under Multiplex the Nsooba-Kyebando road was 1.6km and not 2.1km as a portion had also been covered under the Northern Bypass project.

2. The districts visited in eastern and northern Uganda had maintenance works with various challenges:

- Lengthy procurement procedures that delayed works. It was worse for districts that used DANIDA funds (accounted for 80% of budget) as this limited commitment levels.
- Slow releases of funds from the centre were evident in the districts of Katakwi, Kitgum, Kumi, Mbale, Pader and Soroti. In the districts of Kitgum, Mbale and Soroti it was worsened by the internal delays in transmitting funds at the districts to the department accounts. In Kitgum, for example, it took an average of 2 months.
- There was weak supervision since the function was transferred to UNRA. In Pader, inadequate supervision coupled with poor contracting resulted in very substandard works.

(h) Water and Sanitation

(i) Rural Water Supply and Sanitation:

1. Most construction of water sources was expected during Q3 and Q4. The main challenges found under this vote included slow procurement for the district water and sanitation conditional grant, lack of O&M planning and use of inadequate designs. To this effect, only three outputs under this vote had been initiated or attained.

2. The extension of a pipeline from Butiaba army barracks to the community in Butiaba had a pipeline laid but it does not extend to the community as costs of operation and maintenance were not considered.

3. In Bushenyi district, a piped water supply system had been installed and is functional in Ryeru sub-county. In Kichwamba the system is functional but water is intermittent and flows for 4 hours a day.

(ii) Urban Water Supply and Sanitation:

1. 'Rural Towns Water Supply and Sanitation,' has made good progress with a comprehensive approach to public sanitation that could be replicated for other projects. However, in some districts (e.g Mpigi) poor contracting and supervision led to substandard laying of the pipelines. In addition some districts (Mpigi, Mityana) had poor latrine construction.

2. Delays to the project were largely due to late payments from MFPED in FY07/08.

3. All districts had problems of intermittent water supply due to irregular power supply from the national grid.

4. Under the Energy for Rural Transformation programme, solar panels were fully utilised in three of eight locations monitored. The programme had suffered poor supervision that resulted in faulty designs in some districts (Kyenjojo, Bundibugyo) as well as construction of substandard ECOSANS that presented risks of contaminating the water.

There were also instances of under-utilisation of the energy packages (Katakwi town and Kotido) due to poor functionality of the piped water supply systems. In some districts (Moroto) inadequate security had resulted in damaged solar panels.

5. Under the 'Support to Small Towns Water Supply and Sanitation,' works are progressing although there have been delays. This has been a result of late payments of contractors although funds were released on time by Treasury. There was also an issue of poor supervision.

6. There are clear benefits from the approach of 'South Western Towns Water Supply and Sanitation' (Water and Sanitation Development Facility), as operations are decentralised and demand driven. However, there have been untold delays in works (more than a year). In Rukungiri and Isingiro where an incompetent firm was contracted, it has taken more than eight months just to procure pumps.

7. The 'North Eastern Towns Water and Sanitation Project,' works are complete as reported and the piped water supply system was functioning with some snags remaining. However, the centralized project had suffered poor supervision as the district water officers had minimal participation (especially in Amuria). The resultant poor quality works have already resulted in damages as pipes laid close to the surface were destroyed by the road construction works.

(iii) Water for Production:

Works are progressing well for the three dams and four valley tanks monitored. With the exception of Mayikalo dam in Sembabule district, the other interventions are behind schedule. The delays were largely due to:

- Late clearing of payments certificates by DWD after funds had been released by MFPED,
- Poor performance of contractors (especially in Isingiro and Sembabule districts). This is a result of both poor contracting exacerbated by weak supervision of the centralized project operations.
- Unresolved land issues, especially in Isingiro and Sembabule districts where communities were demanding for compensation.
- Changes in architectural designs during implementation resulting from poor prior community consultations.

4.2 Recommendations

(a) Public expenditure management

- There is need to disburse funds to sectors that have shown “readiness” to spend to avoid accumulation of unused balances on sector accounts.
- Further analytical work should be carried out to identify the causes of the discrepancies between the IFMS data and the information contained in the performance reports submitted. *This may require a comprehensive audit or investigation as deemed fit.*
- For the case of districts, there is need for early procurement planning to avoid delays arising from lengthy procurement procedures. This will ensure that contracts are awarded in time to commence on execution of activities.
- MoFPED should endeavour to send details of approved use of funds whenever disbursements are made to the districts.

(b) Agriculture

(i) Fish markets

- MAAIF should ensure proper completion of all the fish markets particularly focusing on rectifying the anomalies/snag areas. This would involve ensuring that all the contractors complete their work as per the agreed terms.
- Projects such as the Fisheries Development Project should be sufficiently decentralized and district officials empowered to ensure effective implementation and supervision of the various interventions. Empowerment could include timely sharing of information about the project and provision of funds for effective monitoring by district officials.
- Future fish market designs should consider beneficiary needs and future demands.

(ii) Fish Landing

- All the sites handled by the contractor Dembe-Liberty Joint Venture are under-performing and are unlikely to be completed within the project period at the current pace. *It is recommended that this contractor is terminated and replaced by a contractor with proven high capacity to deliver, given the short period before elapse of the project.*
- The design of some facilities e.g rubbish skips, toilets – did not take account of the needs of the physically handicapped and yet many are several metres off the ground. It is recommended that, in future, all structural designs should not be approved unless they include facilities for the physically handicapped.
- MAAIF should work out with districts a schedule for maintaining the new facilities, indicating how and where the funds for maintenance will be sourced on a sustainable basis.
- MAAIF should quickly put in place and share with districts and BMUs the management/operational/capacity building plans for these landing sites.

- In future, projects like this one should be sufficiently decentralized especially in the area of monitoring and supervision.

(iii) Aquaculture

- Consideration should be given to granting semi-autonomous status to Kajjansi Aquaculture Research Station to first track aquaculture research and development in the country.
- A management plan to operationalise, Gulu Aquaculture Centre and any other of this nature is urgently needed from MAAIF to guide the respective districts in proper implementation. The management plan should also include guidance on how the infrastructure will be maintained. It is important that these management plans are fully discussed and agreed upon by the relevant parties- MAAIF, NARO and the districts.
- The aquaculture research centres should be properly staffed and equipped for functionality.

(iv) Vegetable Oil Development Project

- Oil Palm Uganda Ltd (OPUL) should improve maintenance of out-grower fields and provide accountability to farmers on how much has been applied to their fields. This will increase transparency in the cost-recovery process and confidence among the out-growers.
- Kalangala Oil Palm Growers Trust (KOPGT) should work out a scheme involving the out-growers to step up the monitoring efforts of all the activities undertaken by OPUL on the out-grower schemes.
- Construction of the KOPGT office block and equipping it as well as construction of the store should be fast tracked.
- Smallholder farmers and out-growers should be trained and adequately prepared for the harvesting processes. GoU needs to pay special attention to supporting farmers with appropriate technology for harvesting and transporting produce to the processing mill in a timely manner.

(c) Education

- The sector should as much as possible work within the approved work-plan. In instances where changes are effected, they should be justified and communicated to the Ministry of Finance.
- The sector should **refund** the balance of shs 319 million that was not spent on emergency rehabilitation of primary schools as the Q2 progress report claimed. In addition funds purportedly spent on the National Meteorological Centre in Entebbe, and Nabyeya Forestry College in Masindi should also be refunded.

- The sector should strengthen contracting mechanisms for GoU seed schools, and should institute punitive measures to contractors who produce shoddy work. These contractors should be blacklisted and barred from receiving future contracts.
- Under USE, the shs 75,000,000 for constructing the seed schools, needs revision in light of the increased prices for construction materials. This should be done quickly so that all schools are properly completed for use.
- Under SFG the unit cost of shs 45,000 per desk may be revised appropriately. **Alternatively the sector may exploit intra-sectoral linkages by using the many vocational and technical institutions to produce the desks for all schools country wide, at that price. This would provide both experiences to the students as well as income to the colleges for payment of utility bills that are a source of complaint by the colleges.**
- The sector should start its procurement processes early in anticipation of funding to ensure timely construction of facilities.
- The ESA should be adequately facilitated for effective inspection of schools and colleges.

(d) Energy

- Ministry of Finance, Ministry of Energy, URA and the energy companies should hold high level meetings and resolve the issues of tax waivers
- The Uganda Land Board, District Land Boards and energy companies should expedite the processes of land acquisition for project sites.
- The police force and district authorities (where energy projects are located) should work jointly with the energy companies to ensure security of project sites.
- The local governments and departments where solar PVC systems have been installed should be supported to build adequate capacity to sustainably maintain the systems. This may entail both technical and financial support to procure spare parts.

(e) Health

- *Involve districts in selection of capital development priorities:* This is intended to make sure that the allocations are actually informed by actual costs and that they are responsive to the pressing needs of the districts.
- *Timely preparation of bills of quantities (BoQs):* Lack of BoQs at the start of the FY is the main reason for delaying procurements. Districts should be supported to prepare BoQs early in the FY so that procurements are initiated within the first quarter of the FY.

- Improve on communication between departments at all levels of government.
- *Establish Regional stores for the National Medical Stores (NMS)*. This will reduce the cost of drug management for districts. Districts as far as Moroto or Bundibugyo have to travel to NMS to place orders, follow up and sometimes to collect drugs. These costs would be minimized if regional stores are established.
- *Revisit criteria for hardship allowances*. This should be expanded to cater for mountainous and districts located far away from Kampala—being hard to reach and hard to stay for health workers.
- *Revise the salaries for health workers*: This is intended to reduce on the current level of staff attrition who prefer to work in the private sector and to migrate to neighboring countries.
- *Drug allocations to hospitals*: Quantifications for drugs especially to hospitals should take into account the increase in the number of patients with non communicable diseases like hyper tension and diabetes—whose drugs are rather expensive.
- *Prioritise equipping health facilities and rehabilitation of existing facilities over construction of new ones*. It is cost effective to equip health facilities that are constructed and to rehabilitate existing before constructing news. This will have immediate impact on increasing access to health facilities.

(f) Industrial parks

- The Uganda Investment Authority needs to set up adequate Management structures. There is a need for physical planners, land officers and park managers.
- The UIA should carefully study land procurements to minimize taking on land with tenants which will cause delays as well as cost overruns for the project.

(g) Roads

- There is need to strengthen the supervisory function of UNRA regional engineers as well as district engineers
- 2. The districts should be supported to carry out proper contracting to avoid taking on companies with limited capacity and experience. On the other hand, MoWT and UNRA should black list all companies that do sub standard work so that they are prevented from participating in future contract processes.

- The districts should be supported to initiate procurement processes well in advance to reduce on delays.
- MoWT and UNRA should speed up disbursements to districts.
- MoWT and UNRA should institute mechanisms to recover funds from Kampala City Council, for the overpriced contracts awarded to Zzimwe and Multiplex companies.

(h) Water and Sanitation

- Outstanding payments should be cleared by DWD once funds have been released by MFPED to prevent accrual of interest and delayed works. DWD could consider streamlining current payment procedures. Project Engineers should also have access to information on IFMS so that they are aware of the funds available to help guide operations.
- Local officials who will be responsible for the water sources once completed should be involved in the supervision of a project and have access to project documents. A good example of this is the water and sanitation development facility (WSDF) in western Uganda. This would help to smooth operations and maintenance once an intervention has been handed over.
- For the district water and sanitation conditional grant, initiation of early procurement procedures is needed to ensure timely implementation and efficient utilisation of funds.
- Contracting procedures should be improved to ensure quality firms are selected. Feasibility studies and designs should also be thoroughly reviewed before a contract is awarded. Firms that have shown in competency should be blacklisted and not awarded future contracts.
- Supervision should be improved to reduce instances of poor quality works. This should primarily be at the level of the consultancy firms which are responsible for ensuring projects are delivered to design and technical specification. Competition in the consultancy sector should be promoted.
- Alternative energy sources, such as solar panels or back up generators should be included in the design of piped water supply systems for locations where there is irregular power supply. One positive example of this is the WSDF, where solar panels were included.

- Particularly for Water for Production, it is important that land issues are resolved by local officials prior to starting construction. This would help to avoid delays and ensure local community ownership of the intervention, which will ease operations and maintenance.
- Public sanitation efforts should include gender and equity concerns. One positive example of this is 'Rural Towns Water Supply and Sanitation.' Separate public latrines have been constructed for men and women, and for boys and girls in schools, with access for people with disabilities.

References

GoU/ADF, 2008. Fisheries Development Project. Mid-Term Review Report. Agriculture and Agro-Industry Department (OSAN), April 2008.

GoU/ADF, 2001. Fisheries Development Project. Appraisal Report

Annex Table 2.1: **MINISTRY OF AGRICULTURE-Releases and Expenditures July-March 2009 Excl taxes**

VOTE	PROJECT	PROJNAME	GOU	ARREARS	Releases July-March	Expenditures July -Marc	Releases as % of the budget July - March	Expenditures as % of releases July -March
010	0074	AGRIC. SECTOR PRG. SUPPORT PHASE II	299,000,000	-	164,327,000	160,773,259	55	98
010	0076	SUPPORT FOR INSTITUTIONAL DEV-MAAIF	2,298,280,000	-	1,516,742,500	1,477,151,863	66	97
010	0077	AGRICULTURE MARKETING SUPPORT WFP	60,000,000	-	42,750,000	40,154,920	71	94
010	0081	DEV.OF NATIONAL EARLY WARNING SYSTM	127,000,000	-	72,950,000	69,755,389	57	96
010	0083	FARMING IN TSETSE AREAS OF E.AFRICA	437,800,000	-	437,800,000	433,647,990	100	99
010	0088	NW SMALLHOLDER AGRIC DEVELOPMENT.	100,000,000	-	64,950,000	54,936,647	65	85
010	0089	SUPPORT FOR IRRIGATION	30,000,000	-	13,975,000	7,517,380	47	54
010	0090	LIVESTOCK DISEASE CONTROL	1,139,000,000	-	904,160,000	871,326,284	79	96
010	0091	NATIONAL LIVESTOCK PROD IMPROVEMENT	350,000,000	-	181,316,000	176,328,262	52	97
010	0092	RURAL ELECTRIFICATION-ERT-MAAIF	172,400,000	-	105,202,694	94,790,321	61	90
010	0094	SUPERVISION,MONITORING & EVALUATION	192,000,000	-	109,864,193	108,110,982	57	98
010	0097	SUPPORT TO FISHERIES DEVELOPMENT PR	395,000,000	-	281,437,998	278,342,466	71	99
010	0104	SUPPORT FOR TEA/COCOA SEEDLINGS	269,892,285	619,000,400	811,298,000	741,163,122	91	91
010	0106	VEGETABLE OIL DEVELOPMENT PROJECT	1,650,000,000	-	1,084,422,000	581,856,300	66	54
010	0968	FARM INCOME ENHANCEMENT PROJECT	337,500,000	-	337,000,000	332,398,801	100	99
010	0969	CREATION OF TSETSE & TRYPANOMIASIS	94,000,000	-	56,557,974	40,315,500	60	71
010	0970	CROP DISEASES & PESTS CONTROL	566,000,000	-	422,098,000	358,109,500	75	85
010	1007	TRANSBOUNDARY AGROSYSTEM MANAGEMENT	20,000,000	-	4,250,000	-	21	-

010	1008	PLAN FOR NATIONAL AGRIC. STATISTICS	390,000,000	-	309,499,208	197,602,483	79	64
010	1009	SUSTAINABLE LAND MANAGEMENT PROJECT	100,000,000	-	79,322,927	61,999,000	79	78
010	1010	AGRIC.PRODUCTION MARKETING & REG	205,474,000	-	128,868,100	126,794,502	63	98
010	1011	DISSEMINATION NERICA & IMPROVED RICE	40,000,000	-	18,353,000	14,488,600	46	79
010	1012	FAO/TCP INTEGRATED PEST&DISEASE MGT	156,000,000	-	107,161,036	124,939,671	69	117
		TOTAL	9,429,346,285	619,000,400	7,254,305,630	6,352,503,242	77	88

Annex Table 2.2 **MINISTRY OF EDUCATION AND SPORTS-Releases and Expenditures July -March 2009**

VOTE	PROJECT	PROJNAME	GOU- Budget	Releases July- march	expenditures July-march Excl. taxes	Releases as % of the budget July - march	Expenditures as % of Releases July- march
013	0176	CHILD FRIENDLY BASIC EDUCATION	100,000,000	71,250,000	33,595,088	71	47
013	0191	REH.NAT.HEALTH SERV.&DEPT.TRAIN.INS	2,600,000,000	1,852,500,000	1,607,895,487	71	87
013	0210	WFP/KARAMOJA	700,000,000	498,748,000	498,748,000	71	100
013	0897	DEVELOPMENT OF SECONDARY EDUCATION	13,457,886,358	9,588,744,000	9,053,114,276	71	94
013	0942	DEVELOPMENT OF BTVET	3,230,000,000	2,301,375,000	2,265,102,181	71	98
013	0943	EMERGENCY CONST.& REH.PRIM.SCHOOLS	2,800,000,000	1,994,999,000	1,587,415,503	71	80
013	0944	DEVELOPMENT OF PRIM.TEACHERS' COLL.	5,501,000,000	3,159,819,000	3,012,907,287	57	95
013	0949	ADB III POSTPRIMARY EDUC & TRAINING	5,518,000,000	3,931,576,000	3,931,576,000	71	100
013	0971	DEVT TVET P7 GRAD. ENROLLING INSTIT	2,300,000,000	1,638,751,000	1,576,465,314	71	96
013	0984	RELOCATION OF SHIMONI PTC & PRI.SCH					77

			3,538,000,000	2,032,255,000	1,555,337,699	57	
	TOTALS		39,744,886,358	27,070,017,000	25,122,156,835	68	93

Annex Table 2.3: Ministry of Energy- releases and expenditures July- March 2009 excl taxes

VOTE	PROJECT	PROJNAME	GOU-Budget	ARREARS	Releases July-March	Releases as % of the budget July - march	Expenditures July -march	Expenditures as % of releases July -march
017	0325	ENERGY FOR RURAL TRANS. - MEMD	198,770,000	-	134,789,000	67.81	118,353,625	88
017	0328	SUSTAINABLE MGT. MINERAL RESOURCES	639,172,158	-	479,645,000	75.04	389,097,122	81
017	0329	PETROLEUM EXPLORATION PROMOTION	2,653,555,000	376,306,282	2,365,529,282	78.07	2,212,072,616	94
017	0331	RURAL ELECTRIFICATION	10,076,043,000	-	5,750,259,875	57.07	5,684,415,702	99
017	0940	SUPPORT TO THERMAL POWER GENERATION	92,000,000,000	-	74,200,000,000	80.65	62,031,000,000	84
017	0941	SUPPORT TO THE ENERGY FUND	-	-	-	-	-	-
017	0999	POWER SECTOR DEVELOPMENT PROGRAMME	100,856,000	-	57,933,001	57.44	47,392,237	82
017	1023	PROMOTION OF RENEWABLE ENERGY	210,000,000	-	120,624,000	57.44	101,509,780	84
017	1024	BUJAGALI INTERCONNECTION PROJECT	-	-	-	-	-	-
017	1025	KARUMA INTERCONNECTION PROJECT	-	-	-	-	-	-
017	1026	MPUTA INTERCONNECTION PROJECT	35,000,000,000	-	20,104,279,000	57.44	1,000,000,000	5
		Totals	140,878,396,158	376,306,282	103,213,059,158	73.07	71,583,841,082	69

Annex Table 2.4: **MINISTRY OF HEALTH- Releases and Expenditures July- March 2009 Excl taxes**

VOTE	PROJECT	PROJNAME	GOU- budget	ARREARS	Releases July- march	Expenditures July- march	Releases as % of the budget July - march	Expenditures as % of releases July -march
014	0216	DIST. INFRASTRUCTURE SUPPORT PRG I	5,380,482,822	-	3,089,855,007	1,833,554,515	57	59
014	0223	HSRPII-KAMULI & KISORO DISTRICTS	-	1,223,628,437	1,223,628,000	-	100	-
014	0224	IMAGING & THEATRE EQUIPMENT PROJ. I	4,589,921,000	-	2,637,325,886	2,159,466,025	57	82
014	0232	REHAB HEALTH FACILITIES EASTERN REG	760,079,000	-	436,595,216	126,655,500	57	29
014	0891	DONOR SUPPORT TO THE HEALTH SECTOR	-	-	-	-	-	-
014	0980	DEV'T. OF SOCIAL HEALTH INITIATIVE	1,400,000,000	-	804,167,284	604,793,738	57	75
014	1027	INST.SUPPORT TO MINISTRY OF HEALTH	750,000,000	-	428,940,267	-	57	-
		TOTALS	12,880,482,822	1,223,628,437	8,620,511,660	4,724,469,778	67	55

Annex Table 2.5: Industrial parks receipts and exp july -march 2009 Excl taxes

Vote	Project	Account	Approved Budget	Releases	Payments	Releases as % of the budget July - March	Expenditures as % of releases July -March
800000	994	224002	1,750,000,000	1,006,743,742	819,036,166	58	81.4
800000	994	225001	200,000,000	115,056,428	93,604,134	58	81.4
800000	994	225002	57,000,000	32,791,082	26,677,178	58	81.4
800000	994	228001	14,000,000,000	8,036,728,809	6,535,068,200	57	81.3
800000	994	312101	2,953,000,000	1,698,808,155	1,382,065,028	58	81.4

800000	994	312102	740,000,000	425,708,783	346,335,294	58	81.4
TOTALS			19,700,000,000	11,315,836,999	9,202,786,000	57	81.3

Annex Table 2.6: **MINISTRY OF WORKS AND TRANSPORT- Releases and expenditures July- March; excl taxes**

VOTE	PROJECT	PROJNAME	GOU-Budget	ARREARS	Releases July- March	Expenditures july- March	Releases as % of the budget July -March	Expenditures as % of Releases July- March
016	0261	8 DIST. RD NETWORK - FEEDER RDS	400,000,000	-	285,000,000	284,951,600	71.3	100.0
016	0262	8 DIST. RD NETWORK - GRAVEL ROADS	100,000,000	-	71,250,000	71,182,486	71.3	99.9
016	0263	8 DIST. RD NETWORK - LABOUR-BASED	1,240,000,000	-	930,000,000	930,000,000	75.0	100.0
016	0264	AAMP REHAB. DISTRICT ROADS - ADF	1,040,000,000	-	741,000,000	741,000,000	71.3	100.0
016	0269	CONSTRUCTION OF SELECTED BRIDGES	1,162,311,641	-	667,640,000	645,842,287	57.4	96.7
016	0270	DEVT & STRENGTH QUALITY MANAGEMENT	700,000,000	-	402,086,000	297,847,079	57.4	74.1
016	0271	DEVT OF INLAND WATER TRANSPORT	1,300,000,000	-	812,500,000	684,046,300	62.5	84.2
016	0274	FEEDER ROADS REHAB. NORTHERN UGANDA	4,100,000,000	-	2,355,073,000	2,240,761,599	57.4	95.1
016	0297	RDP - TRANSPORT MASTER PLAN	200,000,000	-	150,000,000	149,731,000	75.0	99.8
016	0304	REHABILITATION OF UPCOUNTRY STATION	320,000,000	-	183,811,000	142,710,114	57.4	77.6
016	0306	URBAN ROADS RESEALING	1,500,000,000	-	1,068,750,000	1,042,807,240	71.3	97.6
016	0307	REHABILITATION OF DISTRICT ROADS	5,000,000,000	-	3,562,500,000	3,128,767,340	71.3	87.8
016	0308	ROAD EQUIPMENT FOR DISTRICT UNITS	1,200,000,000	-	689,290,000	84,954,804	57.4	12.3
016	0316	SUPPORT EARTHQUAKE DISASTER VICTIMS	100,000,000	-	57,444,000	38,154,000	57.4	66.4
016	0320	UPGRAD. KAGAMBA-RUKUNGIRI ROAD	-	5,570,000,000	5,570,000,000	4,941,113,220	100.0	88.7
016	0417	REGRAVEL DISTRICT ROADS (STABEX)	230,000,000	-	163,875,000	163,816,500	71.3	100.0

016	0515	REH. OF BUGEMBE WORKSHOP	200,000,000	-	114,882,000	1,809,000	57.4	1.6
016	0901	STUD ON TRANSPORT REGULATORY AGENCY	80,000,000	-	45,953,000	45,697,000	57.4	99.4
016	0902	AXLE LOAD CONTROL	800,000,000	-	459,526,000	263,605,675	57.4	57.4
016	0936	REDEVELOPMENT OF STATE HOUSE	2,000,000,000	-	1,148,816,000	800,000,000	57.4	69.6
016	0951	E.A.TRADE & TRANSPORT FACILITY	500,000,000	-	287,204,000	287,203,916	57.4	100.0
016	0965	REDEVELOPMENT OF KYABAZINGA PALACE	1,500,000,000	-	861,612,000	850,671,629	57.4	98.7
016	0966	COMPLETION OF LATE GEN OKELLO RESID	400,000,000	-	229,763,000	-	57.4	0.0
016	0967	GENERAL CONSTRUCTION & REHAB WORKS	2,500,000,000	-	1,436,020,000	1,005,008,025	57.4	70.0
016	0995	COMMUNITY AGR INFRASTRUCTURE IMPROV	640,000,000	-	480,000,000	480,000,000	75.0	100.0
016	0996	SUPPORT TOURISM INFRASTRUCTURE DEV	1,001,000,000	-	713,213,000	711,615,569	71.3	99.8
016	1018	RRP-SUPPORT TO MOWT	4,780,000,000	-	2,745,670,000	291,683,911	57.4	10.6
016	1019	RRP-SUPPORT TO MELTEC	2,390,000,000	-	1,505,000,000	1,195,000,000	63.0	79.4
016	1045	INTERCONNECTIVITY IMPROVEMENT ROADS	7,940,000,000	-	4,590,799,000	4,250,943,923	57.8	92.6
016	1046	KYAPA-KENSORO ROAD	200,000,000	-	114,882,000	-	57.4	0.0
016	1047	REDEVELOP/REHAB UPCOUNTRY AERODROME	1,260,000,000	-	723,754,000	723,754,000	57.4	100.0
016	1048	INTROD & PRIV M.V.INSPECTION SERVIC	800,000,000	-	600,000,000	338,818,755	75.0	56.5
016	1049	KAMPALA-KASESE RAILWAY LINE STUDY	680,000,000	-	510,000,000	443,963,549	75.0	87.1
016	1050	NATIONAL TRANSPORT DATABASE	800,000,000	-	525,000,000	216,429,504	65.6	41.2
016	1051	NEW SHIP TO REPLACE MV KABALEGA	7,710,000,000	-	4,428,685,000	2,314,804,369	57.4	52.3
016	1052	REHAB & RE-EQUIPPING EACAA SOROTI	7,400,000,000	-	4,108,166,000	2,149,804,369	55.5	52.3
016	1061	CONSTRUCTION OF GOVT. OFFICE BLOCK	-	-	-	-	0.0	#DIV/0!
016	1062	KARAMOJA ROAD DEVELOPMENT PROGRAMME	-	-	-	-	0.0	#DIV/0!
		Totals	62,173,311,641	5,570,000,000	43,339,164,000	31,958,498,763	69.7	73.7

Annex Table 2.7: **MINISTRY OF WATER-Releases and expenditures July-March 2009 Excl.taxes**

VOTE	PROJECT	PROJNAME	GOU-Budget	ARREARS	Releases July-march	Releases as % of the budget July - march	Expenditures July -March	Expenditures as % of releases July -march
019	0124	ENERGY FOR RURAL TRANSFORMATION	270,000,000	80,000,000	272,374,667	77.82133343	216,115,202	79.34
019	0137	L.VICTORIA ENVIRONMENT MNGMT PROG.	1,560,100,000	-	862,499,035	55.28485578	724,975,864	84.06
019	0140	METEOROLOGICAL SUPPORT FOR PMA	500,000,000	-	282,204,000	56.4408	231,076,493	81.88
019	0146	NATIONAL WETLAND PROJECT - PHASE 3	370,000,000	-	257,530,000	69.6027027	157,598,596	61.20
019	0148	NORTH EAST TOWNS WATER & SAN - BADEA	2,980,000,000	1,640,000,000	3,763,250,667	81.45564214	2,949,367,721	78.37
019	0149	OPER.WATER RESOURCE MGT -NILE BASIN	520,000,000	-	298,692,000	57.44076923	288,001,935	96.42
019	0151	POLICY AND MANAGEMENT SUPPORT	1,610,000,000	-	924,797,000	57.44080745	609,765,000	65.94
019	0154	RURAL TOWNS WATER - ADB	4,300,000,000	8,170,828,000	11,334,576,000	90.88872046	9,999,920,928	88.22
019	0158	SCHOOL/COMMUNITY SANITATION & WATER	1,900,000,000	-	1,253,750,667	65.98687721	920,072,562	73.39
019	0160	SOUTH/WEST TOWNS WATER & SANITATION	1,240,000,000	-	883,500,000	71.25	252,131,688	28.54
019	0163	SUPPORT TO RURAL WATER SECTOR	2,800,000,000	677,000,000	3,470,000,000	99.79867702	2,452,215,245	70.67
019	0164	SUPPORT TO SMALL TOWNS WATER	6,730,000,000	-	4,795,125,000	71.25	4,279,082,355	89.24
019	0165	SUPPORT TO THE WRMD	1,700,000,000	-	976,493,000	57.44076471	745,963,003	76.39
019	0168	URBAN WATER REFORM IMPLEMENTATION	600,000,000	40,000,000	467,498,333	73.04661453	419,947,867	82.75
019	0169	WATER FOR PRODUCTION	7,516,436,729	-	5,861,327,066	77.98012911	4,521,323,772	77.14
019	0947	FARM INCOME ENHANCEMENT PROJECT	300,000,000	-	172,321,667	57.44055567	130,587,747	75.78

019	1015	GULU WATER& SEWERAGE REHABILITATION	2,560,000,000	-	1,828,999,000	71.44527344	879,230,260	48.07
019	1021	MAPPING GROUND WATER RESOURCES	350,000,000	-	191,043,000	54.58371429	130,409,715	68.26
019	1022	STRENGTHEN CAPACITY CONCESSION/LIC	100,000,000	-	42,416,876	42.416876	22,635,625	53.36
019	1030	SECTOR INVESTMENT PLAN COORD(SIPCP)	300,000,000	-	171,223,000	57.07433333	132,499,949	77.38
			38,206,536,729	10,607,828,000	38,109,620,978.000	78.07050484	30,062,921,527	61.71

Annex 2.8: MINISTRY OF HEALTH-Comparison of IFMS Releases and Expenditures with performance report for July- Dec 2008

VOTE	PROJECT	PROJNAME	GOU- budget	ARREARS	IFMS Releases July-Dec	IFMS Expenditures July- Dec	Performance report release(MOH)	Performance report expenditures MOH)	Variances	
									Release	Expenditure
014	0216	DIST. INFRASTRUCTURE SUPPORT PRG I	5,380,482,822	-	2,858,200,007	1,707,090,837	2,858,200,007	1,710,382,591	-	(3,291,754)
014	0223	HSRP/II-KAMULI & KISORO DISTRICTS	-	1,223,628,437	611,814,000	-	611,814,000	-	-	-
014	0224	IMAGING & THEATRE EQUIPMENT PROJ. I	4,589,921,000	-	2,183,787,886	2,125,975,618	2,183,787,886	2,138,075,226	-	(12,099,608)
014	0232	REHAB HEALTH FACILITIES EASTERN REG	760,079,000	-	361,490,216	104,128,000	361,490,216	104,128,000	-	-
014	0891	DONOR SUPPORT TO THE HEALTH SECTOR	-	-	-	-	-	-	-	-
014	0980	DEV'T. OF SOCIAL HEALTH INITIATIVE	1,400,000,000	-	665,831,284	422,725,285	665,831,284	433,858,486	-	(11,133,201)
014	1027	INST.SUPPORT TO MINISTRY OF HEALTH	750,000,000	-	354,831,267	-	354,831,267	-	-	-
		TOTALS	12,880,482,822	1,223,628,437	7,035,954,660	4,359,919,740	7,035,954,660	4,386,444,303	-	(26,524,563)

Annex 3.1: Fisheries Development Project Budget and Expenditures (UA)

Item	Amount allowed at Appraisal 2002	Revised at mid-term	Dec 08 disbursed	Dec 08 committed	Dec 08 undisbursed	Dec 08 uncommitted
Goods	3,737,000	3,368,760.00	1,214,635.36	1,195,313.14	2,154,124.64	2,173,446.86
Works	14,592,000.00	16,229,210.00	6,812,955.52	14,781,628.34	9,416,254.48	1,447,581.66
Services	2,161,000.00	2,356,640.00	1,323,351.27	1,841,347.91	1,033,288.73	515,292.09
Personnel	126,000.00	45,390	0	0	45,390.00	45,390.00
Unallocated	1,358,000.00	–	0	0	0	0
Total	21,974,000	22,000,000.00	9,350,942.15	17,818,289.39	12,649,057.85	4,181,710.61

Source: Fisheries Development Project Coordination Office

Annex 3.2: LOCATION OF THE FISH LANDING SITES TO BE DEVELOPED UNDER FISHERIES DEVELOPMENT PROJECT AND THE STATUS AS AT 17-02-09

The 30 priority landing sites identified and proposed for development are as below:

	LOCATION	STATUS
	LAKE VICTORIA:	
1.	Majanji in Busia District	Under construction
2.	Lolwe Island (Gorofa) in Bugiri District	Under construction
3.	Bugoto in Mayuge District	Under construction
4.	Bwondha in Mayuge District	Under construction
5.	Lwanika in Mayuge District	Design completed, construction halted due to shortage of funds
6.	Masese in Jinja District	Design completed, construction halted due to shortage of funds
7.	Kiyindi in Mukono District	Under construction
8.	Bugonga in Wakiso District	Design completed, construction halted due to shortage of funds
9.	Bugiri in Wakiso District	Design completed, construction halted due to shortage of funds
10.	Katebo in Mpigi District	Design completed, construction halted due to shortage of funds
11.	Kamuwunga in Masaka District	Design completed, construction halted due to shortage of funds
12.	Kitobo in Kalangala District	Under construction
13.	Mwena in Kalangala District	Under construction
	LAKE KYOGA:	
14.	Kayeyi in Apac District	Design completed, construction halted due to shortage of funds
15.	Namasale in Amolator District	Tendering process ongoing
16.	Bugondo in Soroti District	Design completed, construction halted due to shortage of funds
17.	Kagwara in Soroti District	Tendering process ongoing
18.	Mulondo in Soroti District	Design completed, construction halted due to shortage of funds
19.	Bukungu in Kamuli District	Under construction
20.	Lwampanga in Nakasongola	Under construction
	LAKE ALBERT:	
21.	Panyimur(Dei) in Nebbi District	Design completed, construction halted due to shortage of funds
22.	Butiaba in Buliisa District	Under construction
23.	Wanseko in Buliisa District	Design completed, construction halted due to shortage of funds

24.	Toonya in Hoima District	Design completed, construction halted due to shortage of funds
25.	Ndaiga in Kibale District	Design completed, construction halted due to shortage of funds
26.	Ntoroko in Bundibugyo District	Design completed, construction halted due to shortage of funds
	LAKE EDWARD:	
27.	Katwe in Kasese District	Design completed, construction halted due to shortage of funds
28.	Kishenyi in Bushenyi District	Design completed, construction halted due to shortage of funds
29.	Rwenshama in Rukungiri District	Design completed, construction halted due to shortage of funds
	LAKE GEORGE:	
30.	Mahyoro in Kamwenge District	Design completed, construction halted due to shortage of funds

Annex 3.3: LOCATION OF THE FISH MARKETS BEING DEVELOPED UNDER FISHERIES DEVELOPMENT PROJECT 17-02-09

DISTRICT	LOCATION
1. Iganga District	Iganga Town Council
2. Busia District	Busia Town council
3. Tororo District	Tororo Town
4. Soroti District	Soroti Town
5. Apac District	Apac Town Council
6. Lira District	Lira Municipal Council
7. Gulu District	Gulu Municipal Council
8. Nebbi District	Paidha
9. Masindi District	Masindi Town Council
10. Luwero District	Luwero Town Council
11. Kampala City	Bakuli Market
12. Mukono District	Mukono Town Council
13. Jinja District	Jinja Central Market
14. Mityana District	Mityana Town Council
15. Kibale District	Kagadi Town
16. Kasese District	Mpondwe Boarder post
17. Kanungu District	Ishasha Boarder post
18. Kabale District	Kabale Town Council
19. Mbarara District	Mbarara Town Council
20. Masaka District	Nyendo

Annex Table 3.4: Quarters 1-3 Planned Development & Maintenance Activities under UNRA, MoWT, District Local Governments, and KCC

Agency	Planned Output Description	Output Indicator	Annual Planned Output	Approved Budget Ushs. Bn	Target for Quarter 1	Target for Quarter 2	Target for Quarter 3	Remarks
UNRA	National Roads Maintenance (Manual)	Km maintained	10,800 Km	8.00	10,800 Km	10,800 Km	10,970 Km	
	National Roads Maintenance (Mechanized)	Km maintained	9,865 Km	45.06	822 Km	2466 Km	3,288 Km	Monitored in Q3
	Paved Roads Rehabilitation/resealing	Km rehabilitated Km resealed	100 Km 4 Km	18.2	Nil	10km	44 Km	
	Paved roads resealed	Km resealed	235 Km	24.5	40 Km	95 Km	100 Km	
	Unpaved roads gravelling	Km re-graveled	1400 Km	27.13	140 Km	420Km	420 Km	
	National roads bridges maintained	No. of bridges	24	4.40	Nil	3	8	
	Busega – Mityana road reconstruction	%	30%	18.026	0%	7%	10%	
	Reconstruction of Kampala Northern Bypass	%	20%	19.572	10%	10%		Monitored in quarter 1
	Upgrading of Kabale – Kisoro – Bunagana road	%	35%	49.525	8%	9%	9%	Monitored in quarter 2
	Upgrading of Matugga – Semuto – Kapeka road	%	30%	18.726		7%	11%	
	Strengthening and Upgrading of Kampala – Gayaza – Ziobwe road	%	20%	17.584	5%	5%	5%	Monitored in quarter 2
	Upgrading of Soroti – Dokolo road	%	30%	30.000	7%	7%	8%	Monitored in quarter 1
	Upgrading of Dokolo – Lira road	%	20%	27.000	2%	5%	6%	Monitored in quarter 1
	Rehabilitation of Jinja –Bugiri road	%	35%	47.178	10%	10%	10%	Monitored in quarter 1
	Reconstruction of Masaka – Mbarara road	%	25%	25.727	4%	5%	7%	Monitored in quarter 1
Reconstruction of Kampala – Masaka road	%	15%		Under Transport Corridor		3%	5%	
Upgrading of Fort Portal –	%	15%	31.528		0%	0%	5%	

Agency	Planned Output Description	Output Indicator	Annual Planned Output	Approved Budget Ushs. Bn	Target for Quarter 1	Target for Quarter 2	Target for Quarter 3	Remarks	
	Bundibugyo road								
	Rehabilitation of Kawempe – Luwero road	%	52%	20.000	15%	20%	17%	Monitored in quarter 1	
	Rehabilitation of Luwero – Kafu road	%	30%	13.450	15%	15%	0%	Monitored in quarter 1	
	Overlay of Kawempe – Luwero – Kafu road	%	60%	37.000	0%	0%	30%		
	Rehabilitation of Hoima – Kaiso – Tonya Road	%	100%	12.760	50%	50%		Monitored in quarter 2	
	Rehabilitation of Hoima – Kizirafumbi road	%	100%	7.327	50%	50%			
	Transport Corridor Project	Rehabilitation of Mbarara – Ntungamo road	Km	12 Km	4.000			7 km	<ol style="list-style-type: none"> Source: UNRA 2nd Quarter report All the sub projects under here had not commenced at the time of field monitoring trips.
Rehabilitation of Jinja – Mukono road		Km	10 Km	6.000			6 Km		
Rehabilitation of Tororo – Mbale – Soroti road		Km	31 Km	6.000			17 km		
Overlay of Kawempe – Kafu road		Km	33 Km	37.411			18 Km		
Rehabilitation of Kafu – Karuma road		Km	14 Km	8.000			8 Km		
Rehabilitation of Ntungamo – Kabale – Katuna road		Km	37 Km	33.120			19 Km		
Rehabilitation of Mukono – Kayunga road		Km	12 Km	10.000			7 Km		
Upgrading of Matugga – Semuto – Kapeka road		Km	8 Km	11.000			8 Km		
Upgrading of Rukungiri – Ishasha road		Km	15 Km	6.000			9 Km		
Upgrading of Ntungamo – Mirama/ Kagamba – Ishaka		Km	19 Km	4.580			11 Km		

Agency	Planned Output Description	Output Indicator	Annual Planned Output	Approved Budget Ushs. Bn	Target for Quarter 1	Target for Quarter 2	Target for Quarter 3	Remarks
	roads							
	Upgrading of Kapchorwa – Suam road	Km	16 Km	12.420			7 km	
	Overlaying of Malaba – Busia- Bugiri road	Km	16 Km	10.600			7 km	
	Reconstruction of Busega – Mityana road	Km	12 Km	17.500			7 Km	
	Reconstruction of Busega – Masaka road	Km	25 Km	23.380			14 Km	
MoWT	Tourism roads rehabilitation	Km	200Km	2.255	20Km	20Km	80 Km	Monitored in Q3
	Spot gravelling of national and district roads using labor based techniques	Km	73Km	0.132	18Km	18Km	18 Km	
	Rehabilitation of district roads (AAMP) - Feeder	Km	420 Km	1.424	140Km	145 Km	80 Km	Monitored in Q3
	Rehabilitation of district roads (AAMP) - Community	Km	300 Km	From above	90Km	80Km	80 Km	
	Construction of Selected Bridges	No.	35	2.472		4	17	
	Security Roads Rehabilitation in Northern Uganda	Km	135	4.000	15		65 Km	
	Tarmacking of Urban Roads	Km	10Km	1.532	2.8Km	1.9Km	3.2 Km	
	Rehabilitation of selected district Roads	Km	271Km	4.600	80 Km	91 Km	100 Km	Targeted to commence in quarter 3
	Rehabilitation of priority district bridges	No.	5	2.000				Targeted to commence in quarter 3
	Regravelling of district roads (stabex)	Km	94 Km	0.976				Targeted to commence in quarter 3
	Low cost seal of district roads	Km	50 Km	6.214				
	Karamoja roads development programme	Km	91 Km 2 Bridges	6.247			30 Km	Monitored in Q3
	Interconnectivity improvement programme	Km	799 Km	7.200			300 Km	
District Local Governments	Routine maintenance of district roads – Manual	Km	23,000Km					Targets are as per the different Annual District Roads Work Plans FY 2008/09; Monitored in Q2 & Q3
	Regravelling of district roads	Km	1,400Km					
	Rehabilitation of district roads	Km	930Km					
	Resealing of Urban roads	Km	146Km					
	Re-gravelling of district roads	Km	476Km					
	Rehabilitation of community access roads	Km	570Km					

Agency	Planned Output Description	Output Indicator	Annual Planned Output	Approved Budget Ushs. Bn	Target for Quarter 1	Target for Quarter 2	Target for Quarter 3	Remarks
Kampala City Council	Routine and recurrent maintenance of tarmac roads in city centre Package 1	Km	88Km	1.539				
	Routine and recurrent maintenance of tarmac roads in city centre Package 2	Km	70Km	1.595				
	Periodic maintenance of dilapidated tarmac roads Package 3	Km	7.02Km	3.777				Monitored in Q3
	Upgrading of gravel roads package 4	Km	6.15Km	3.113				Monitored in Q3
	Annual Maintenance of traffic signals and street lights at 13 junctions	No.	13	0.700				
	Annual maintenance of flower boxes at 12 junctions	No.	12	0.308				
	Upgrading of Mutungo road	Km	7.0Km	1.260				

Annex Table 3.5: Summaries of Work Plans, Releases, Current Expenditures and Status of Planned Outputs in the Respective Districts Visited

District	Size of Road Network (Km)	Planned Activities for Quarter 1&2 FY 2008/09	Budget FY 2008/09 (Million Shillings)						Outputs as at end of Feb 2009		
			Annual	Planned at end of Feb 08/09	Releases at end of Feb 08/09	% Release Feb 08/09	Expenditure Feb 08/09	% Absorption at end of Feb 2009	Indicator	Status	Remarks
Apac	430 Km	a) Routine maintenance, 124 Km	1695	1130	649.3	39.3%	603.6	93.0%	Km	68Km	3 roads worked on using force account
		b) Periodic Maintenance of 110.3Km: Alenga – Kungu (26.1 Km); Aboke G – Opeta (8 Km); Amii – Kidilani (20 Km); Awila – Olelpek (11.7 km); Nambieso – Agwat (14.5 Km); Toboke – Ogur (22.3 Km); Apac – Lira Br (7.7 Km)							Km	24.9Km	4 roads worked on using force account. Works still on-going
		c) Rehabilitation of 51 Km: Teboke – Nambieso (27 Km); Teboke – Ogur (19 Km); Apac – Teboke (5 Km)							Km	38.6Km	2 roads worked on using labor based contractors
Kampala		a) Routine and recurrent maintenance of tarmac roads, 158Km	15,000	10,000	8,500	56.7%	4280	50.4%			In progress
		b) Periodic maintenance of dilapidated tarmac roads, 7Km							%	30%	In progress
		c)Upgrading of gravel roads to tarmac, 13.15Km							%	5%	In progress
Katakwi	276Km	a) Routine maintenance, 175Km	1385	923.3	497.0	35.9%	141.5	28.5%	Km	175Km	Maintained for 3 months out of 6
		b) Rehabilitation of 35Km: Kapuian – Gweri (7 Km); Adacar – Arengecora (16 Km); Katakwi – Orungo cnr (24 Km); Katakwi – Ngariam (5 Km); Getom – Toroma (10 Km)							Km	14Km	Works on-going on 2 roads – 14Km
		c) Low cost resealing of 5Km							Km	Nil	Not yet Procured

District	Size of Road Network (Km)	Planned Activities for Quarter 1&2 FY 2008/09	Budget FY 2008/09 (Million Shillings)						Outputs as at end of Feb 2009		
			Annual	Planned at end of Feb 08/09	Releases at end of Feb 08/09	% Release Feb 08/09	Expenditure Feb 08/09	% Absorption at end of Feb 2009	Indicator	Status	Remarks
		d) Structural and road Bottlenecks on selected community access roads								Completed	Under defects liability
Kitgum	341Km	a) Routine maintenance, 285Km	1628	1085.3	615.1	37.8%	419.3	68.2%	Km	285Km	1 maintenance cycle out of 3 planned
		b) Periodic maintenance of 25.2Km: Madi – Opei (9 Km); Corner Kalabong – Akilok(4.6 Km); Auch – Lanyapang (5.6 Km); Palabek Kal – Pangira (6 Km)							Km	Nil	Works still under procurement
		c) Rehabilitation of 43.4Km: Kitgum – Bulunzi (6 Km); Ayoma – Alume (6 Km); Cnr Ogwech – Alwiyo (10 Km); Oryang – Kitgum Matidi (4 Km); Orom –Akilok (17.4 Km)							Km	10Km	Works on 2 roads was in progress, 1 road completed.
		d) Structural and road Bottlenecks on selected community access roads								In Progress	Works on-going
Kumi	323Km	a) Routine maintenance, 230 Km	1541	1027.3	589.1	38.3%	418.7	71.1%	Km	230	Maintained in 1month out of 6 planned.
		b) Periodic Maintenance of Kumi – Omatenga (8.5Km)							Km	Nil	Under procurement
		c)Rehabilitation of 44Km: Kumi – Malera (7.1 Km); Mukongoro – Atutur (9.4 Km); Kumi – Ongino (6 Km); Mukongoro – Ngoro(3 km); Moruita – Kidongole (11 Km); Atoot – Kodike (5 Km); Kabukol – Nyero (2 km)							Km	24.9Km	Works in progress on 5 roads – 24.9Km
		d) Low Cost sealing of 6Km									
		e) Structural and road Bottlenecks							Km	Nil	Under procurement

District	Size of Road Network (Km)	Planned Activities for Quarter 1&2 FY 2008/09	Budget FY 2008/09 (Million Shillings)					Outputs as at end of Feb 2009			
			Annual	Planned at end of Feb 08/09	Releases at end of Feb 08/09	% Release Feb 08/09	Expenditure Feb 08/09	% Absorption at end of Feb 2009	Indicator	Status	Remarks
		on selected community access roads									
Mbale	189.9Km	a) Routine maintenance, 118.4Km	1,572.9	1048.6	603.278	56.3%			Km	118.4	Maintained in 2 months out of 7 planned
		b) Periodic Maintenance of 45Km							Km	30.9Km	Works in progress on 6 roads
		c) Rehabilitation of 63.8Km							Km	18.9Km	Works in progress on 4 roads
Pader	520 Km	a) Routine maintenance, 436Km	1647	1098	702.6	42.7%	48.5	6.9%	Km	Km	Maintained in 1 cycle out of 3 planned
		b) Periodic Maintenance of 109Km: Parunga – Cnr Aculu (12 Km); Kalongo – Buluji (10 Km); Adilang – Paimol (10 Km); Kalongo – Odokomit (11 Km); Pader – Dure (11 Km); Lanyatido – Ocwida (11 Km); Lapul – Atanga (3.8 Km); Refugee camp – Arum (0.9 Km)							Km	54Km	Works in progress on 6 roads
		c) Rehabilitation of 77.4 Km: Kalongo – Kongul (10 Km); Pajule – Kwonkic (3 Km); Laguti – Lanyadyang (1.2 Km); Adilang – Lacekoto (1.1 Km); Pader – Kalongo (1.91 Km)							Km	In progress	Works in progress on 2 roads
Soroti	329Km	a) Routine maintenance, 328.8 Km	1647	1098	646.3	30.2%	213.7	33.1%	Km	329Km	Maintained in 1 cycle out of 3 planned
		b) Periodic Maintenance of 94.6 Km							Km	Nil	Under procurement
		c) Rehabilitation of 38.4Km:							Km	Nil	Under procurement
		d) Low Cost sealing of 4Km							Km	Nil	Procurement not started

District	Size of Road Network (Km)	Planned Activities for Quarter 1&2 FY 2008/09	Budget FY 2008/09 (Million Shillings)					Outputs as at end of Feb 2009			
			Annual	Planned at end of Feb 08/09	Releases at end of Feb 08/09	% Release Feb 08/09	Expenditure Feb 08/09	% Absorption at end of Feb 2009	Indicator	Status	Remarks
		e) Structural and road Bottlenecks on selected community access roads								Nil	Under procurement