



# Final NDP I Evaluation and NDP II Mid-term Review

## Local Governments

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1.0	INTRODUCTION.....	1
1.1	HISTORY OF LOCAL GOVERNMENTS IN UGANDA.....	1
1.2	THE LEGAL FRAMEWORK OF LOCAL GOVERNANCE IN UGANDA.....	3
1.3	EVOLVEMENT OF LOCAL GOVERNMENTS IN UGANDA.....	5
1.4	ROLES OF LOCAL GOVERNMENTS.....	7
2.0	METHODOLOGY OF THE REVIEW.....	9
3.0	KEY FINDINGS.....	10
3.1	EXTENT TO WHICH LOCAL GOVERNMENTS REFER TO THE NATIONAL DEVELOPMENT PLAN.....	10
3.2	INVOLVEMENT OF LOCAL GOVERNMENTS IN DEVELOPMENT OF SECTOR PLANS.....	11
3.3	SATISFACTION WITH LOCAL GOVERNMENT PLANNING AND BUDGETING PROCESS.....	12
3.4	SECTORAL ANALYSIS.....	14
3.5	LOCAL ECONOMIC DEVELOPMENT (LED).....	35
3.6	FINANCING OF LOCAL GOVERNMENTS.....	44
3.7	PROJECT DESIGN, PREPARATION, AND IMPLEMENTATION AT LOCAL GOVERNMENT.....	47
3.8	AREAS OF ECONOMIC POTENTIAL AT LOCAL GOVERNMENTS.....	50
4.0	CONCLUSION, KEY FINDINGS AND POLICY RECOMMENDATIONS.....	52
4.1	RECOMMENDATIONS.....	53
	REFERENCES.....	55

## List of Tables

Table 1: Key features of Uganda’s decentralized local government structure .....	4
Table 2: Evolution of districts in Uganda .....	6
Table 3: Local Government achievements in agriculture under NDP I and NDP II .....	16
Table 4: Local Government challenges in agriculture under NDP I and NDP II .....	17
Table 5: Suggestions for improving achievement of planned results .....	17
Table 6: Local Government achievements in health under NDP I and NDP II .....	19
Table 7: Local Government challenges with in health under NDP I and NDP II.....	20
Table 8: Suggestions of improving achievement of planned results.....	21
Table 9: Local Government achievements in education under NDP I and NDP II .....	22
Table 10: Local Government challenges with in education under NDP I and NDP II .....	23
Table 11: Suggestions for improving achievement of planned results in education.....	24
Table 12: Development partners in Works and Transport at Local government level .....	25
Table 13: Key Local government achievements within the infrastructure sector .....	26
Table 14: Key Local government challenges within the infrastructure sector.....	27
Table 15: Sector key International Development Partners .....	29
Table 16: Key Local government achievements within Water and Sanitation Sector.....	30
Table 17: Key Local government constraints within Water and Sanitation Sector .....	30
Table 18: Suggested measures to improve achievement of planned results .....	31
Table 19: Sector key International Development Partners .....	32
Table 20: Key Local government achievements within Natural Resource Sector.....	33
Table 21: Suggested measures to improve achievement of planned results .....	34
Table 22: LED Achievements and challenges in agriculture.....	39
Table 23: LED Achievements and challenges in health .....	40

## List of Figures

Figure 1: Map of Uganda showing the 115 district.....	7
Figure 2: Extent to which local governments refer to NDP.....	10
Figure 3: Sectoral disaggregation of the extent to which local governments refer to NDP.....	11
Figure 4: Local Government involvement in planning and budgeting process .....	12
Figure 5: Satisfaction with Local Government planning and budgeting process .....	14
Figure 6: Aims of implementing the LED strategy.....	36
Figure 7: Local Economic Development and Decentralization Framework.....	38
Figure 8: Involvement of International Development Partners.....	45
Figure 9: Involvement in identifying and designing donor funded projects .....	46
Figure 10: Funding sources of key projects by sector.....	47
Figure 11: Distribution of local government projects by sector .....	48
Figure 12: Local government projects by sector and status of implementation.....	49
Figure 13: Key areas of untapped economic potential in Local Governments .....	50

## **1.0 Introduction**

1. Due to the dire need for efficient and effective service delivery, countries have continued to transform their public sector structures with a view of increasing accountability and responsiveness towards the community. Like many other African countries, reforms in Uganda's public sector have been geared towards decentralization and establishment of local government structures, with the argument of steering local governance that addresses community needs (Ayeko-kümmeth, 2014). In the recent past, there has also been a move to integrate the initiative of local development planning within the framework of decentralization.
2. In light of the above, this chapter provides an assessment of Local Government service delivery in different sectors during the NDP I and NDP II, while highlighting overall achievements, challenges and suggestions to improve service delivery. The chapter also provides an overview of Local Economic Development in Uganda, highlighting the roles and challenges encountered by local governments in the implementation of Local Economic Development across various sectors in Uganda. Furthermore, an analysis of the different international development partners in terms of their roles, harmony in planning, budgeting, implementation and reporting is carried out. The chapter is further extended to include analysis of employment at local government; Project design, preparation, implementation and challenges at local governments; financing of Local Governments, and then concludes by highlighting the key findings and policy recommendation. Before we delve into the issues aforementioned, it's important to understand the history and evolvement of local governments in Uganda, the legal framework and the roles of local governments.

### **1.1 History of local governments in Uganda**

3. The history of local governance in Uganda dates as far as before the colonial era (Onzima, 2013). Before the colonial era, each ethnic group had its own independent system of governance, some with highly centralized hierarchical systems (like Buganda and Bunyoro) while in some, power and authority were in the hands of clan heads (Kauzya, 2007). The pre-colonial governance structure was changed by the British Colonial government which set up African (Native) Authority in 1919 as a form of local

administrations. This form of governance was hierarchically structured in form of provinces, districts, Sazas (counties), Gombololas (sub counties), Milukas (parishes) and villages (Ayeko- kummeth, 2014).

4. The post-colonial era has been characterized by different forms of governance structures. Political regimes or the strategic adjustments within the same political regime have often determined the prioritization of either centralized or decentralized form of governance. For example, in 1962, significant powers and autonomy were given to local governments to manage development programmes in accordance with the independence constitution of Uganda. These particular powers and autonomy required that a wide range of services be provided by the local authorities namely; primary education, medical care, feeder roads among others.
5. On the contrary, in 1966, under the leadership of Apollo Milton Obote, local government arrangement was abolished. The 1967 Local Administration Act established an administrative structure that was only answerable to the central government and also stifled local initiatives towards public accountability. This Act translated to Local government councils wielding minimal authority even in their areas of jurisdiction. In 1971 under Amin's regime, local governance was reorganized into 10 provinces each led by military governors who were specifically selected by the President. Less than a decade later this was reversed through the emphasis of centralization rather than decentralized local governance in the Obote II regime.
6. In 1986, when NRM came into power, there was keen interest in reviving the local government system of administration, accordingly a Commission of inquiry into the Local Government System, chaired by Mahmood Mamdani (1987-1989) was set up. Key deterrents of effective management and service delivery at the grassroots were voiced by the commission. These included the rigid centralized structure and an extensive gap between service providers and service beneficiaries. Based on the recommendations of the commissions of inquiry, the NRM government set out to address these problems through institutional reform to remove the political and structural weaknesses. Under the institutional reforms, Uganda embraced a decentralization policy and transfer of powers,

functions and responsibilities to the local governments as a way of enhancing their accountability and responsiveness towards the community.

7. Decentralization policy in Uganda was officially launched in 1992 and first enshrined in the Local Government (Resistance Councils) Statute of 1993 and later in the Constitution of 1995 and the Local Governments Act (LGA) of 1997. The process of decentralization has been gradually undertaken and implementation of some measures has been in phases, evolving from resistance councils to local governments. Initially, the process was undertaken with 5 major objectives namely;
  - (i) Transferring of real power to districts and thus reduce the workload on the central government officials;
  - (ii) Bring political and administrative control over services to point where they are actually delivered, thereby improving accountability and effectiveness, promoting peoples feeling of ownership of programmes and projects executed in their districts;
  - (iii) Free local managers from central constraints and, as a long-term goal, allow them to develop organisational structures tailored to local circumstances;
  - (iv) Improve financial accountability and responsibility by establishing a clear link between the payment of taxes and the provision of services they finance,
  - (v) Improve the capacities of the councils to plan, finance and manage the delivery of services of their finance and manage the delivery of services of their constituencies.
8. In 2006, the GoU added a 6<sup>th</sup> objective of decentralization to existing objectives namely ‘to promote Local Economic Development in order to enhance people’s incomes’. This has been incorporated in the Decentralization Policy Strategic Framework and the Local Government Sector Strategic Plan 2013-2023 and has subsequently been addressed in a chapter on sub-national development within the NDP II.

## **1.2 The legal framework of local governance in Uganda**

9. The legal framework for local governance is derived from Chapter 11, Article 176(1) of the Constitution of the Republic of Uganda (which provides for a decentralized system of local government) and the Local Governments Act of 1997 and the subsequent amendments. These provisions empower Local Governments with responsibilities of

allocation of public resources, integrated participatory planning and budgeting, local resource mobilization and investment management within their areas of jurisdiction.

10. The above legislation spells out a governance structure based on the district as a unit, under which there are lower local governments and administrative units. Three categories of local government arose from this governance structure namely;
  - (i) Local governments in rural districts categorized as district and sub-county councils
  - (ii) Local governments in a city categorized as city and city division councils
  - (iii) Local governments in a municipality categorized as municipal council and municipal division councils.
  
11. A structure detailing the political head and administrative head of the local governments is presented in table.

**Table 1: Key features of Uganda’s decentralized local government structure**

<b>Local Council (LC) Level/Area</b>	<b>Status of LC</b>	<b>Political Head &amp; Selection of Representatives</b>	<b>Administrative Head</b>
District Council	Local Government (LC5)	District Chairperson, elected by universal adult suffrage (UAS). Councilors from sub-counties, women (1/3), youth, disabled	Chief Administrative officer (CAO)
Municipality (Urban) County (Rural area) Councils	Local Gov’t Administrative Unit (LC4)	Municipal Mayor; Council made up of all LC3 executives, who then elect LC4 executive and Chair	Town Clerk (Urban areas) Assistant CAO (Rural areas)
City Division/ Town Council (Urban area) Sub-County Council (Rural area)	Local Government (LC3)	Mayor (in urban areas) and Chairperson (in rural areas), elected by UAS. Councilors are elected from parish & women (1/3), youth delegates	Town Clerk (Urban areas) Sub-county Chief (Rural)
Parish Council	Administrative Unit (LC2)	Chairperson selected by all LC1 executive members who make up the council	Parish Chief
Village Council	Administrative Unit (LC1)	Chair elected by UAS, & all adults (18 years) are council members	

**Adapted from: the Local Governments Act (LGA), 1997 as amended in 2001**

12. Table 1 indicates that the highest political authority is the District Local Council (LC5) while District Chairperson is the political head voted into service by Universal adult



suffrage (UAS). Another key figure is the Chief Administrative Officer who is the head of public servants in the district and the accounting officer, answerable for matters pertaining to implementation of decisions made by the district council and central government. Rural and Urban areas have other local governments lower than the district. The rural areas have sub-counties while the urban areas have municipalities and city divisions (town councils). These consist of administrative units namely: county, parish and village councils, that report to the respective local governments and give counsel on community issues. Sub-counties in rural areas depend on districts on matters pertaining to finances and planning whereas Municipalities of urban LGs, city divisions and town councils are independent.

13. Under the current decentralized framework, the powers devolved include:
- (i) ***Political powers:*** where Councils are headed by politically elected leaders by universal adult suffrage.
  - (ii) ***Financial powers:*** where Councils collect and appropriate resources in their budgets.
  - (iii) ***Administrative powers:*** where Councils manage staff in their districts.
  - (iv) ***Planning powers:*** where Councils make development plans for their areas.
  - (v) ***Legislative powers:*** where Councils make ordinances or bye-laws not inconsistent with the constitution or any other law. However, local councils have no power to make any law relating to the establishment or administration of courts or to the exercise of judicial powers.
  - (vi) ***Judicial powers:*** where Executive committees at the village and parish also double as local council courts. At sub-county/town council there is also a local council court.

**Note:** Due to the need to ensure democratic participation in decision-making and control by the people as represented in council, the powers are assigned to the councils, and not to individual offices like that of the Chairperson or the Chief Administrative Officer.

### **1.3 Evolvement of local governments in Uganda**

14. Over time, the number of districts has been growing. At the time of independence, the country had only 18 districts. In 1986, when the National Resistance Movement (NRM)

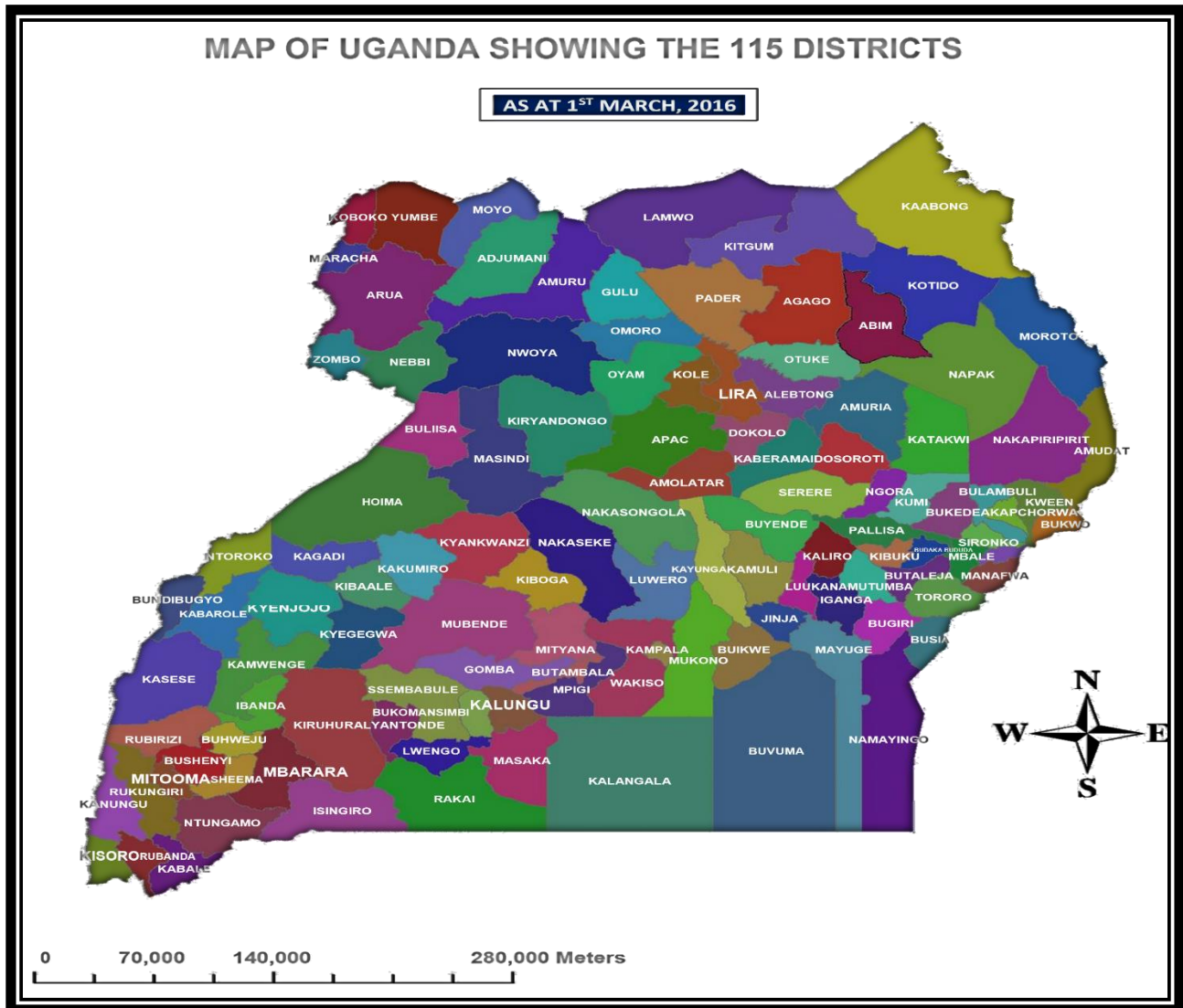
took over power, there were 33 districts. Under the guise of increasing political participation among ordinary citizens, advance social service delivery and above all steer local governance that addresses community needs, the number of local governments have since increased. By the end of 2010 and 2017, the number had grown to 112 and 121 districts respectively. Table 2 gives the trend of districts in Uganda since 1959 while figure 1 gives a pictorial representation of the districts as of March 2016

**Table 2: Evolution of districts in Uganda**

1959	1962	1968	1971	1974	Jan 1979	May 1979	Aug 1979	Aug 1980	March 1991
16	17	18	19	38	40	22	33	33	39
March 1997	Nov 2000	July 2005	July 2006	July 2009	July 2010	July 2016	July 2017		
45	56	69	80	87	111	115	121		

**Source: Ministry of Local Governments facts sheet, 2017**

**Figure 1: Map of Uganda showing the 115 district**



**Source: Ministry of Local Government Facts and Figures 2016**

15. As indicated by the map, there were 115 districts excluding Kampala and 41 municipalities in Uganda by March 2016

**1.4 Roles of local governments**

16. Local governments in Uganda derive their mandate from the local government act of 1997 cap 243 and the subsequent amendments. According to the Act, local governments are tasked with the role of;

- (i) Consolidation and promotion of local democratic institutions and democratic participation;

- (ii) Protecting the Constitution and other laws of Uganda and promote democratic governance;
- (iii) Ensuring the implementation and compliance with government policies;
- (iv) Monitoring performance of persons employed by the government or a higher local government;
- (v) Providing services in its area of jurisdiction and monitor the provision of government services or the implementation of projects in the area;
- (vi) Preparing a comprehensive and integrated development plan incorporating plans of lower-level local governments for submission to the National Planning Authority;
- (vii) Execution of local development plans and the encouragement of business enterprise.

## 2.0 Methodology of the review

17. To assess the performance of local governments under NDP I and NDP II, a sample of seventeen<sup>1</sup> districts was randomly selected. From each of these districts, information was collected using two types of questionnaires that is; one administered to Heads of Department, and the second one administered on the District chairperson, CAO, and the Town clerk. In addition to these two data collection tools, a summary report on three key Local Government projects visited by the field enumerator was availed. This encompassed information on the level or status of project implementation; intended project objectives/outcomes, and different project implementation challenges encountered.
18. Data collected was subjected to both qualitative and quantitative analysis. Some of the questions in the questionnaire were closed ended, at the same time some open ended responses could easily be grouped. This therefore allowed us to generate categorical variables using appropriate codes upon which we were able to draw charts (graphs and pie charts) to illustrate some of the findings (as part of the quantitative analysis).
19. The qualitative analysis was structured along six thematic areas (sectors): Agriculture, Health, Education, Infrastructure, Natural resources, and Water and Sanitation. This analysis mainly focused on the achievements, challenges and suggestions for improving achievement of planned results. For preciseness and conciseness, we present the results in table format
20. To enrich our analysis, brief literature review was also carried out. The major documents reviewed include NDP I and NDP II, different sectoral development plans and performance reports, and diagnostic studies in support of the mid-term review of NDP II.

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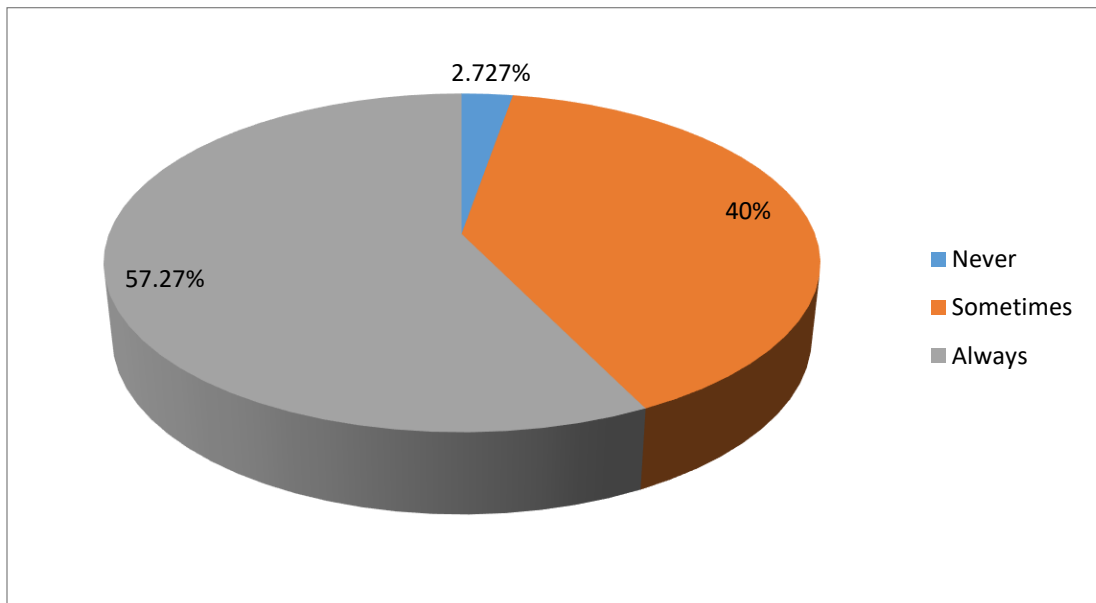
<sup>1</sup> Arua, Bushenyi, Buyende, Gulu, Hoima, Kabarole, Kalangala, Kanungu, Kiruhura, Kole, Masaka, Mbale, Moroto, Nakapiripirit, Nakaseke, Ntoroko, Soroti

### 3.0 Key findings

#### 3.1 Extent to which local governments refer to the National Development Plan

21. One of the objectives of the review was to understand the extent to which Local Governments refer to the National Development Plan (NDP) in the course of executing their duties and understand the activities and processes which the plan informs. Our analysis reveals that; 57 percent of the departments at local governments always refer to NDP; 40 percent refer to NDP only sometimes; while 2.73 percent never refer to NDP in executing their duties (see figure 2). Among the activities and processes that NDP informs at local government include; planning process, budgeting process, project design and implementation, Monitoring and evaluation of projects, Setting sectoral priorities, Procurement process, setting objectives, formulation of sector policies, needs assessment, and reporting of results.

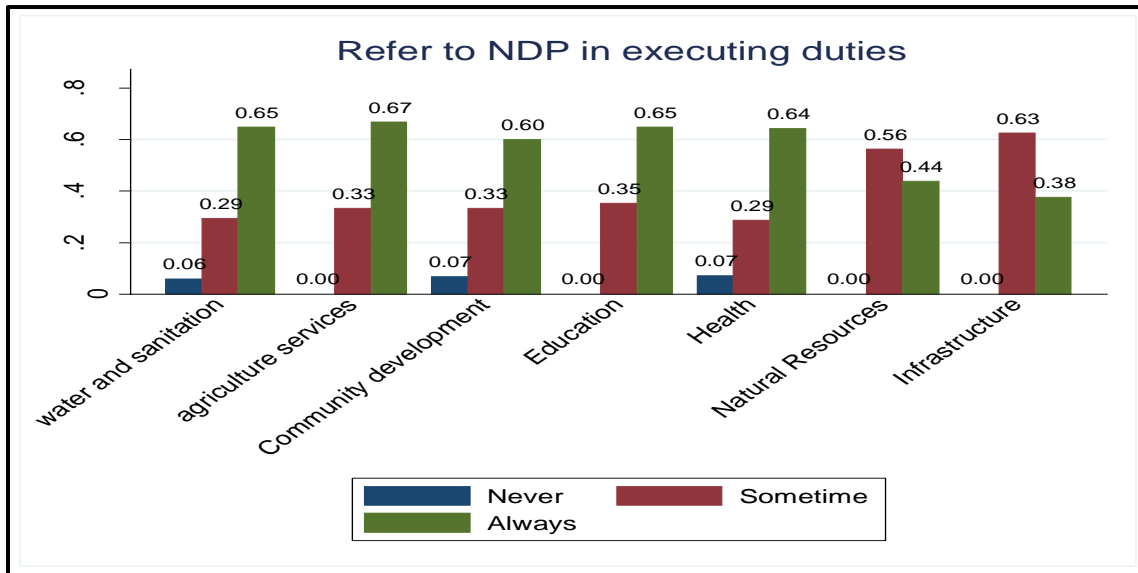
**Figure 2: Extent to which local governments refer to NDP**



*Source: survey data*

22. Sectoral disaggregation of the extent to which local governments refer to National Development Plans reveals that; Water and Sanitation, Agriculture, Health, Education, and Community Development departments always refer to NDP plan in executing their duties. On the other hand, Natural resource and Infrastructure sectors refer to the National development plan only sometimes (see Figure 3)

**Figure 3: Sectoral disaggregation of the extent to which local governments refer to NDP**

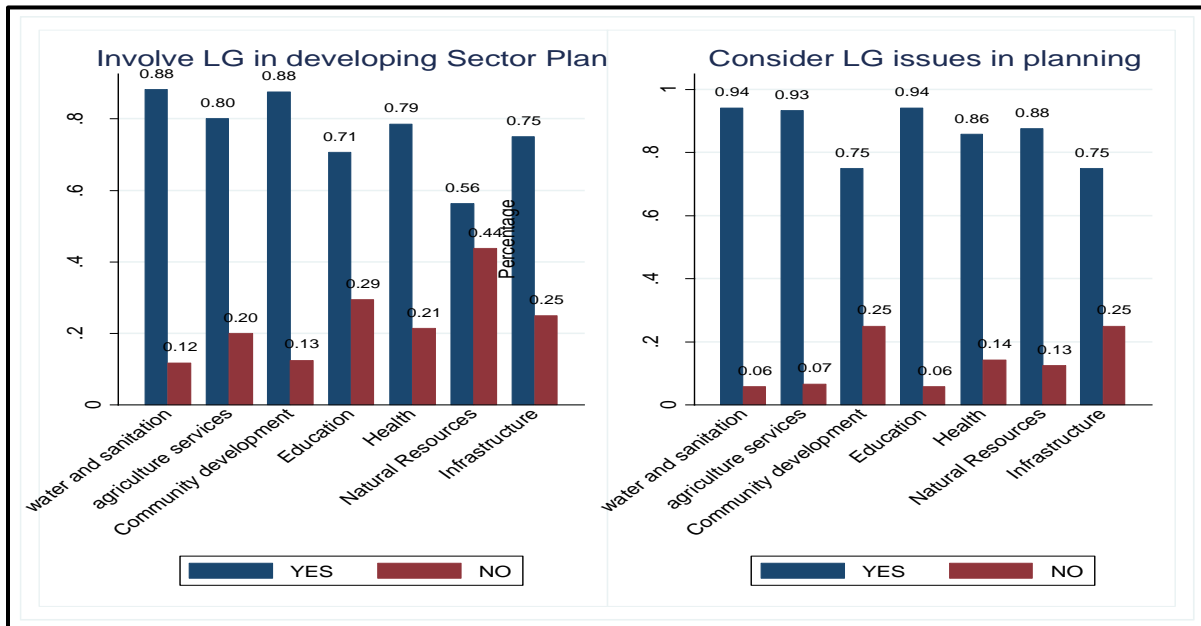


Source: survey data

### 3.2 Involvement of local governments in development of sector plans

23. Having analyzed the extent to which local government refer to NDP in executing their duties, we then delve into the analysis of the extent to which local governments are involved in the development of sector development plans and the extent to which the issues identified by the local governments are considered by the sector at the center while developing plans, guidelines, and policies.
24. Overall, the results show that 77 percent of the departments indicate that they are involved in development of sector plans while 86 percent of the local government heads of department agree that the sector considers issues identified by their respective local governments when developing plans, guidelines and policies. Sectoral disaggregation show that, all sectors agree that they are involved in the planning process albeit with varying degree. The percentage is highest in Water and Sanitation and Community development at 88 percent, and lowest in natural resource at 56 percent. As regard to considering issues identified by the Local Governments, Water and Sanitation, Agriculture and Education have the highest percentage at 94 percent while Community development and Infrastructure have the lowest at 75 percent (refer to figure 4).

**Figure 4: Local Government involvement in planning and budgeting process**



Source: survey data

### 3.3 Satisfaction with Local Government planning and budgeting process

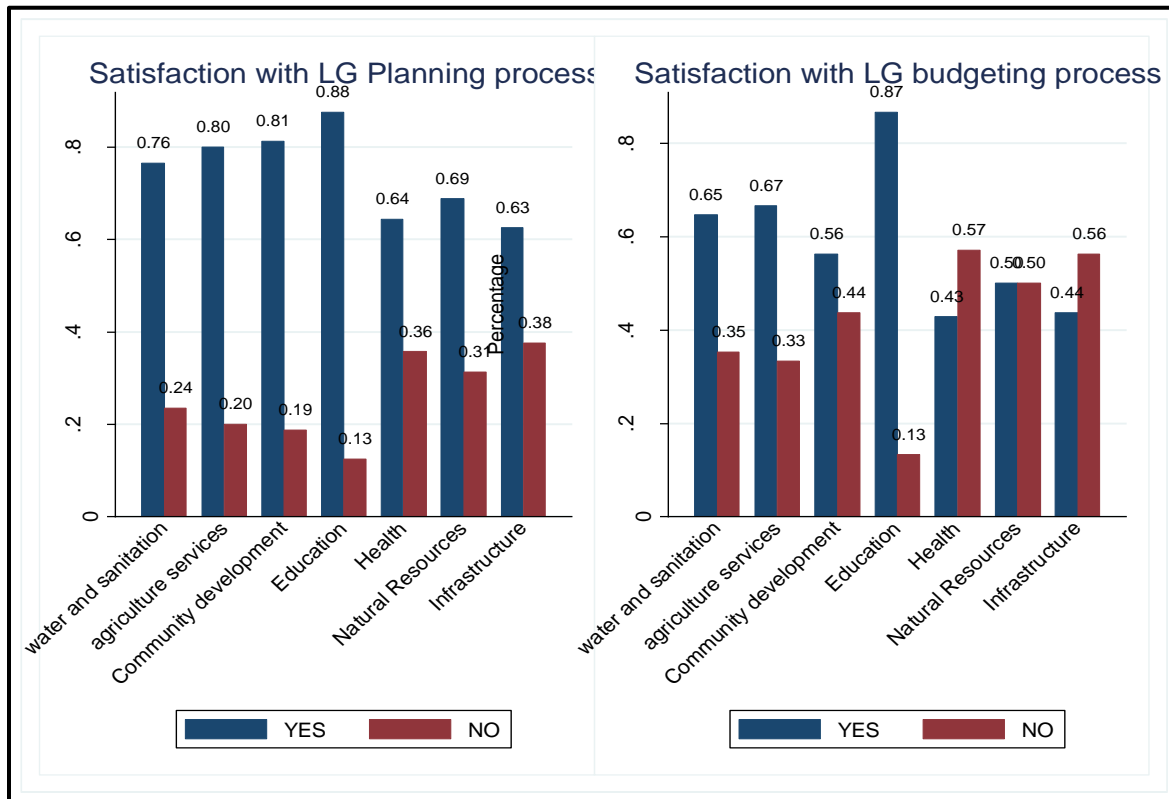
25. Our analysis shows that, overall, 75 per cent of the departments at Local Governments are satisfied with government planning process. These argue that; the process is Participatory since it uses a bottom-up approach; Department plans are always integrated into the national plan; the process includes all stages of the planning cycle; the plan incorporates people's needs; the planning period is sufficient. On the other hand, those who are dissatisfied with the planning process argue that; Budgets are fixed before planning; there is limited research and consultation to inform the planning process; inadequate facilitation for planning at local government level; key priorities at Local Governments are not addressed; Low level of stakeholder engagement; Poor coordination between Local Governments and the Central Government.
  
26. Regarding budgeting, while 59 percent commend the process for: Its equity considerations; being consistent with people’s needs; considering key priorities, and being participatory among others, 41 per cent of the local government departments in the sample express dissatisfaction with the process. These argue that; budget allocation is inadequate; frequent budget cuts; Development partner budgets are not shared with districts; District priorities



not given attention; IPFs are inadequate; the budgeting process is not participatory; and that the process is characterized of political interference

27. Sectoral disaggregation shows that while all the sectors show a higher percentage satisfaction with the planning process, Health and Infrastructure show a higher percentage of dissatisfaction with local government budgeting (see figure 5) citing reasons such as; key priorities not being funded; delays in IPFs, inadequate IPFs, insufficient budgetary allocations; and frequent budget cuts among others.

**Figure 5: Satisfaction with Local Government planning and budgeting process**



Source: survey data

### 3.4 Sectoral analysis

28. Due to differences in the set up and organization of different sectors, it’s important to analyse each sector separately. Accordingly, the subsequent sections are devoted to assessing the role of Local Governments in different sectors, highlighting the different projects being implemented in the different sectors and the development partners aiding the Local Governments. The section also highlights the key achievements and challenges in the sector under NDP I and NDP II.

#### 3.4.1 Agriculture

29. For a long time, agriculture has been a core sector of Uganda’s in terms of GDP contribution and employment. To re-echo the importance of agriculture, the sector was marked as one of the primary growth sectors in NDP I while NDP II listed it as one of the priority areas with growth opportunities. In NDP I, emphasis was placed on: Enhancing agricultural production and productivity; improved access to and sustainability of markets; creating an enabling environment for competitive investment in agriculture; and enhancing

institutional development in agriculture sector. Under NDPII, focus was on: Strengthening agricultural research; implementing the single spine extension system; technology adaptation at the farm level; increasing access to and effective use of critical farm inputs; promoting sustainable land use and soil management; increasing access to agricultural finance with specific options for women farmers; and strengthening agricultural institutions for effective coordination and service delivery.

30. As NDP II stipulates, some of the interventions in the sector are undertaken by local governments with support from the central government. Local governments are tasked with the role of: Controlling epidemic diseases, pests and parasites affecting crops, animals and fish; Enforcing agricultural laws and regulations; Supporting the extension services; Supervising the distribution of inputs provided by MAAIF under the OWC initiatives; Carrying out inspection and certification of agricultural inputs such as agro-biological and animals feeds; Ensuring veterinary public health; Registration and licensing of traders in agricultural chemicals, seeds, livestock and fishing; Collection of agricultural statistics.
31. In accordance with the above roles, a number of projects have been implemented by Local Governments with in the period under review. The current review reveals projects such as; Agricultural extension projects, breed improvement and artificial insemination expansion, coffee garden establishment, introduction of fish cage farming (in Kalangala), establishment milk processing plants, fish hatchery construction, installation of irrigation facilities, livestock breeding centers, palm oil growing in Kalangala, OWC/NAADS (provision of inputs such as; banana Suckers, fish feeds, male boar goats, milk coolers, fish fingerings), remodeling of veterinary laboratory
32. In performing their roles, local governments partner with various development partners. Our analysis reveals a sizeable number development partners for both NDP I and NDP II. For instance, in NDP I, development partners in agricultural sector included; Abi trust, ACID-VOCA, ACPEP (EU), ADB, Aktion Africa help, AMREF, ASB, CLUSA, East African Dairy Department (EADD), FAO, Food for the hungry, GIZ, Heifer international, ICEDA, Icelandic International department agency, IFAD, IFDC, ILRI, IRC, JICA, Save the children, Swiss contact, UNDP, UNHCR, USAID, World Bank, World Food Programme, World Vision International. Equally, NDP II period was characterized by

development partners such as; Abi Trust, ADB, CAIIP, CARITAS, CLUSA, DINU, EADD, FAO, FEED THE FUTURE, Food for the Hungry, Heifer International, IFAD, IFDC, ILRI, JICA, KOICA, LVEMP-II (World Bank), Micro financing partners, NILPIP, SNV, Swiss Contact, Terra Renaissance, UNHCR, USAID, Welt Hunger Life, World Bank, World Food Programme, World Vision International.

33. From the intervention by the local governments in agriculture a number of achievements were registered both in NDP I and NDP II. These are summarized in table 3 below

**Table 3: Local Government achievements in agriculture under NDP I and NDP II**

NDPI	
(i)	Increased access to agricultural inputs by farmers
(ii)	Increased production (especially coffee, diary)
(iii)	Improved fish handling and quality due to construction of fish processing facilities
(iv)	Adoption of good agricultural practices such as;
(v)	Increased food production
(vi)	Reduced post-harvest losses due to provision of agro-processing facilities
(vii)	Provision of drugs & facilitation of extension workers
NDPII	
(i)	Increased processing capacity due to construction of processing plants
(ii)	Increased access to production inputs
(iii)	Production increased particularly for commercial purposes (coffee diary)
(iv)	Improved pests/disease control through provision of insecticides
(v)	Increased food production thus increased food security
(vi)	Introduction of exotic breeds
(vii)	Improved management of natural disasters (like drought) through irrigation
(viii)	Promotion of value chains for crops such as cocoa
(ix)	Provision of training and advisory services to farmers through facilitation of extension workers
(x)	Trained the youth and provided start-up packages

*Source: Survey data*

34. In executing their roles as regards to agriculture, local governments are however faced with a number of challenges which are believed to have hindered their performance. Some of the key challenges raised by the different Local Government Departments under NDP I and NDP II are summarized in table 4

**Table 4: Local Government challenges in agriculture under NDP I and NDP II**

NDP I		NDP II	
(i)	Adulterated agro-inputs, resulting in low yields	(i)	Adulterated agro-inputs
(ii)	Changing policies on extension service delivery	(ii)	Contradictory strategies from MAAIF
(iii)	Delay in release of funds which hinders effective implementation of different programs	(iii)	Delay in allocation and release of resources (funds) thus delaying some projects
(iv)	Inadequate transport facilities making it difficult to access some areas especially in rural areas	(iv)	Delays in completion of projects implemented by MAAIF which are supposed to complement those at LG
(v)	Inadequate unconditional grants funds limiting flexibility of the department in terms of spending	(v)	Inaccessible roads during rainy seasons making it difficult to reach some areas
(vi)	Limited resources (low levels of funding) making it difficult for the departments and local governments to implement some of the desired projects	(vi)	Inadequate facilitation of extension workers
(vii)	Low level of technology adoption. Some communities are reluctant to change their farming practices	(vii)	Lack of agro-processing plants hindering value addition
(viii)	Animal theft; this has been reported especially for animals provided by OWC/NAADS thus frustrating government efforts	(viii)	Limited market for agricultural produce
(ix)	Low morale for extension workers due to poor remuneration	(ix)	Low funding for the sector
(x)	Under staffing. This makes it difficult for the departments and local governments to conduct enough out-reach visits	(x)	Animal theft
		(xi)	Poor community attitude towards agriculture
		(xii)	Poor coordination/communication under OWC
		(xiii)	Unclear policies and legislations
		(xiv)	Under staffing

*Source: Survey data*

35. As a way forward, a number of suggestions were raised by the local government agriculture departments. The suggestions are categorized as short term (5 years) and long term (more than 5 years). Table 5 provide a summary of the key suggestions raised by the departments.

**Table 5: Suggestions for improving achievement of planned results**

Medium term (5 years)		Long term (more than 5 years)	
(i)	Provision of adequate operational funds for extension services	(i)	Proper alignment of activities with national priorities
(ii)	Building capacity of extension workers	(ii)	Increased funding for agriculture
(iii)	Promotion of partnerships between private sector and Local Governments	(iii)	Building capacity of district officers and extension
(iv)	Improving Monitoring and Evaluation process	(iv)	Improvement in infrastructure
(v)	Improving road infrastructure	(v)	Establishment of irrigation schemes
(vi)	Increase funding to local governments	(vi)	Prompt monitoring and evaluation of projects
(vii)	Involve stakeholders in planning activities for the sector	(vii)	Proper planning and accurate implementation of activities

(viii)	Recruit more extension staff	(viii)	Recruitment of more extension workers
(ix)	Conducting regular reviews of the programs	(ix)	Reviewing and updating existing policies
(x)	Sensitization of farmers on use of improved technology in production	(x)	Strengthen partnership (public-private partnerships)
(xi)	Timely release of funds		

*Source: Survey data*

**3.4.2 Health sector**

- 36. Improving the health status of the population has been one of the major areas of concern in Uganda’s policy circles. Although there has been improvement in some indicators, the country is still far from the ultimate goal of health for all. Given its role in human capital development, NDP I and NDP II put considerable emphasis on the health. While NDP I places emphasis on preventive and curative health care, NDP II emphasizes mass management of malaria (mass malaria treatment for prevention); National Health Insurance scheme; universal access to family planning services; health infrastructure development; reducing maternal, neonatal and child morbidity and mortality; scaling up HIV prevention and treatment; and developing a centre of excellence in cancer treatment and related services.
- 37. To achieve better health outcomes, both NDP I and NDP II suggest a number of interventions such as; Health infrastructure development, equipment and maintenance; Scaling up training of health cadres in short supply but critical cadres; Develop community structures for improved health education, promotion and disease prevention, including the Community Health Extension Workers (CHEWs) strategy; Support implementation of primary health care; Improve effectiveness and efficiency in the delivery of health services.
- 38. Under the decentralized framework, some of the interventions in the sector are undertaken at a local government level. The local governments are responsible for; Enforcement of the Public Health Act; Recruitment of health workers for general hospitals and lower level health units; Supervision and monitoring of health service delivery; Support health infrastructure development; Coordination, planning, supervision and monitoring the implementation of the health agenda; Passing of by-laws among others.
- 39. In accordance with stipulated roles, Local governments have been able to implement a number of projects in the health sector. According to our analysis, projects implemented in the health sector include; Construction of district stores and containers, Construction and

renovation of maternity wards, Construction and rehabilitation of Health centers, upgrading of health centers, Construction of staff houses, among others

40. In performing their roles, local governments partner with various development partners. Based on the review, development partners in Health sector at local government level under NDP I included; AMREF, AVSI, Baylor Uganda, CUAMM, Doctors with Africa, DFID, GAVI/Global Fund, ICB/BTC, IDI, MARIE STOPES, MILD MAY (CDC), NUHITES, NUMATI, PACE, REP HEALTH UGANDA, Save the Children, SSHRI, STAR-EC, UNICEF, USAID, Well Shore International, WHO, World Vision. Development partners under NDP II include; AMREF, ASSIST, Baylor Uganda, Belgium Technical Cooperation, CDC, CUAMM Doctors with Africa, FBOs, FHI 360, GAVI/Global fund, GSF-WSCC, ICB/BTC, IDI, MADD, Malaria Consortium, MARIE STOPES, Mercy Corps, MILD MAY (CDC), PACE, PHITES-EC, Plan International, RHITES, SDS, SSHRI, SUSTAIN, UNICEF, USAID, VSO, WHO, World Bank, World Vision
41. Given the intervention by the Local Governments in the sector, a number of achievements were registered both in NDP I and NDP II. Table 6 summarizes the key achievements in the health sector.

**Table 6: Local Government achievements in health under NDP I and NDP II**

NDP I	
(i)	Construction and renovation of health centers
(ii)	Construction of medical stores
(iii)	Construction of staff houses
(iv)	Health staff capacity building
(v)	Immunization coverage increased
(vi)	Improved staffing
(vii)	Increase in institutional deliveries (maternity services) which has helped reduce maternal death
(viii)	Provision of ambulances
(ix)	Provision of solar powered wards in places without access to power
(x)	Scaling up HIV services at sub-county level
NDP II	
(i)	Distribution of mosquito nets
(ii)	Construction and renovation of health centers
(iii)	Construction of maternity wards
(iv)	Construction of staff houses
(v)	Construction of District medicine store
(vi)	Donations of transport facilities to hospitals
(vii)	Immunizations coverage increased

(viii)	Improved human resource (increased staffing)
(ix)	Increase in Intermittent Presumptive Treatment (IPT) uptake
(x)	Institutional (facility) maternal deliveries which has helped reduce maternal mortality
(xi)	TB & HIV/AIDS comprehensive care has been scaled up
(xii)	Upgrading of health facilities

*Source: Survey data*

42. Notwithstanding the achievements registered in the health, there are a number of challenges the hinder effective operation of local governments as far as the health sector is concerned.. A summary of these is provided in table 7

**Table 7: Local Government challenges with in health under NDP I and NDP II**

NDP I	NDP II
(i) Delayed approval of supplementary budget	(i) Budget cut for PHC and development/ inadequate resources
(ii) Delayed releases of funds	(ii) Delayed approval of supplementary budget
(iii) Poor transport and health infrastructure	(iii) Delayed releases of funds
(iv) Inadequate resources (funding) and logistic support	(iv) Inadequate medical supplies and equipment
(v) Inadequate medical supplies	(v) Inadequate safe water supply to service points
(vi) Inadequate monitoring and supervision at lower level	(vi) Lack of medical stores
(vii) Inadequate Primary Health Care	(vii) Poor community health care seeking behavior
(viii) Inadequate safe water supply to service points	(viii) Poor health and transport infrastructure
(ix) Low remuneration of staff	(ix) Reduced donor support
(x) Poor community health care seeking behavior	(x) Under staffing

*Source: Survey data*

43. In order to overcome some of the challenges mention and improve achievement of planned results, a number measures were raised by the concerned departments. After a thorough analysis, we have been able to identify key suggestion. These are presented in table 8



**Table 8: Suggestions of improving achievement of planned results**

Medium term (5 years)	Long term (more than 5 years)
(i) Adequate consultation of LG during planning	(i) Adequate consultation of LG during planning
(ii) Increased resource allocation to Local Governments	(ii) Capacity building of health workers
(iii) Capacity building of the LED actors in the health sector	(iii) Community awareness on health related issues
(iv) Engaging stakeholders in the planning process	(iv) Construction of more hospitals and health centers
(v) Expand staff structure/ increase staff	(v) Coordination between the sector and local governments in identify and design projects with LG
(vi) Improve health infrastructure	(vi) Evaluate functionality for HCIIIs
(vii) Improve monitoring and supervision at lower levels	(vii) Improve staffing structure/ increase staffing
(viii) Increase community mobilization and sensitization	(viii) Increase budget allocation/ funding
(ix) Improve staff remuneration	(ix) Increase investment in maternal health services
(x) Improve transport infrastructure	(x) Invest in infrastructure development
(xi) Providing hard to reach allowances	(xi) Promoting health insurance
(xii) Increase funding for PHC	(xii) Revitalize the health education unit at the districts
(xiii) Upgrade HCII to HCIII	(xiii) Speed up accreditation of PHC facilities
	(xiv) Strengthening stakeholder engagement in health affairs
	(xv) Upgrading health centers to hospital status

*Source: Survey data*

### 3.4.3 Education Sector

44. Education is one of the components of human capital, as such, it's one of the areas intervention identified by NDP I and NDP II. Under NDP II interventions in the education sector are meant to; expand equitable access to education and training at all levels; Enhance quality of PrePrimary and Primary; Improve effectiveness and efficiency in the delivery of primary education; Enhance standardization for relevant education and training.
45. Like other social services, provision of education services is decentralized where local governments are mandated to oversee implementation of the decentralized programs and activities especially at pre-primary and primary level. In accordance with stipulated roles, Local Governments have been able to implement a number of projects in the education sector including; Construction of class room blocks, Construction of sanitation facilities (latrines), Construction of a seed schools, Construction of a staff house, renovation of schools.

46. In executing their mandates, Local Governments are assisted by a number of development partners. Our analysis reveals that a number development partners have played a role in education both under NDP I and NDP II. For instance, in NDP I, development partners in education sector included; AVSI, Concern for the girl child, Forum for Women Educationalists (FAWE-U), Iceland International Development Agency, Irish Aid, New Hope, Norwegian Refugee Council, Partners for Children Worldwide, Save the Children, UNHCR, UNICEF, USAID, World Bank, World Vision. Some of the development partners in NDP II include; ACAV, AVSI, Building Tomorrow, FAWE-U, Iceland International Development Agency, Irish Aid, New Hope, Partners for Children Worldwide, Plan International, Save the children International, SDS, Straight Talk International, UNHCR, UNICEF, USAID, Voluntary Services Overseas (VSO), World Bank, World Vision
47. Based on the intervention by the Local Governments in the education sector, a number of achievements were registered both in NDP I and NDP II. Table 9 summarizes some the key achievements in education.

**Table 9: Local Government achievements in education under NDP I and NDP II**

NDP I Achievements	
(i)	Increase in community primary schools
(ii)	Increase in number of Staff houses
(iii)	Increase in the number of seed schools
(iv)	Increased in school enrolment due to conducive school atmosphere
(v)	Provision of computers to secondary schools
(vi)	Reduction in pupil-classroom ratios due to construction of more class rooms
(vii)	Reduction in pupil-desk ratio due to acquisition of more desks
(viii)	Reduction in pupil-latrine ratio due to construction of more latrines
(ix)	Reduction in pupil-text book ratio
NDP II Achievements	

(i)	Capacity building of teachers through refresher courses
(ii)	Improvement in PLE passing rate
(iii)	Increase in the number of seed schools
(iv)	Increase in the number of teachers houses
(v)	Increase number of teachers thus reducing pupil-teacher ratio
(vi)	Increased enrollment of pupils and students
(vii)	Increased supply of textbooks to primary schools thus reducing pupil-textbook ratio
(viii)	Reduction in Pupil/student-class room ratio due to construction of more class rooms
(ix)	Reduction in pupil-latrines ratio
(x)	Reduction in the rate of repetition
(xi)	Renovation of schools and classroom blocks

*Source: Survey data*

48. While performing their education roles, local governments are faced with a number of challenges, which are believed to have hindered their performance. The challenges derived from our analysis are presented in table 10

**Table 10: Local Government challenges with in education under NDP I and NDP II**

NDP I	NDP II
(i) Under staffing due to the ban on recruitment of teachers	(i) Inadequate staffing ban on recruitment of teachers
(ii) Budget cuts resulting into inadequate funding	(ii) Budget cuts leading to inadequate funding
(iii) Teacher absenteeism	(iii) Delays in procurement processes
(iv) Cultural practices like early marriages	(iv) High dropout rates dropout rates due to pregnancy
(v) Delays in procurement processes	(v) HIV/AIDs among learners affecting progress in education
(vi) HIV/AIDs among learners affecting progress in education	(vi) Inadequate support from parents
(vii) Inadequate transport facilities which hindering inspection	(vii) Inadequate transport facilities
(viii) Lack of cooperation from other education officers like head teachers	(viii) Staff ceiling which obstructs recruitment
(ix) Low support from the parents /poor community attitude towards education	(ix) UPE capitation to small to satisfy the needs
(x) Low wages for staff	

*Source: Survey data*

49. As a remedy to some of the challenges identified, departments and Local Governments made a number of suggestions. A thorough analysis of these responses leads us to measures summarized in table 11

**Table 11: Suggestions for improving achievement of planned results in education**

Medium term (5 years)	Long term (more than 5 years)
(i) Aligning activities with national priorities	(i) Proper alignment of activities with national priorities
(ii) Measures to circumvent the adverse effects of climate change (e.g irrigation)	(ii) Increased funding for agriculture
(iii) Adequate operational funds for extension services	(iii) Adopting of improved technology in production
(iv) Adoption of technologies on production	(iv) Building capacity of district officers and extension
(v) Building capacity of extension workers	(v) Improving infrastructure
(vi) Promotion of partnerships	(vi) Creation of market linkages to promote trade
(vii) Improving Monitoring and Evaluation	(vii) Establishment of irrigation schemes
(viii) Improving road infrastructure	(viii) Prompt monitoring and evaluation of projects
(ix) Increase funding to local governments	(ix) Proper planning and accurate implementation of activities
(x) Involve stakeholders in planning	(x) Recruitment of more extension workers
(xi) Recruit more extension staff	(xi) Reviewing and updating existing policies
(xii) Conducting regular reviews of the programs	(xii) Strengthen partnership (public-private partnerships)
(xiii) Timely release of funds	

*Source: Survey data*

### 3.4.4 Infrastructure (Works and Transport) sector

50. The works and transport sector is mandated to deliver reliable and safe engineering works and transport. In order to fulfill this obligation, the sector seeks to achieve four main objectives which include; a) Plan, develop and maintain an economic, efficient and effective transport infrastructure; b) Plan, develop and maintain economic, efficient and effective transport services by road, rail, water, air and pipeline; c) Manage Public works including government structures; and d) Promote good standards in the construction industry. These objectives are aligned with those in NDP1 and NDP2 which prioritize this sector as a key growth component with potential productivity spillovers in other sectors and as a prerequisite for economic and social transformation within the economy.

51. In NDP1, major focus regarding the works and transport sector was on: improving the stock and quality of road infrastructure; improving the traffic flow within Greater Kampala Metropolitan Area; and increasing the volume of passenger and freight cargo conveyed on the rail network. On the other hand NDPII in reference to the works and transport sector seeks to: develop adequate, reliable and efficient multi modal transport network in the country; improve the human resource and institutional capacity of the sector to efficiently

execute the planned interventions; improve the National Construction Industry; and increase safety of transport services.

52. To fulfill these objectives, the sector involves coordination with a number of key stakeholders for efficient and effective service delivery. Among these are: the private sector, government and international development partners. Within the government; there is the ministry of works and transport, affiliated agencies such as UNRA, URF, URSC, TLB, URC, CAA, and local governments. While the ministry is expected to initiate, develop and implement policies, local governments rather engage in decision-making processes, management, and maintenance of infrastructure. Local governments are also expected to mobilize and ensure participation of communities in selecting infrastructure priorities and in activity implementation. To adequately execute their duties, local governments require input and support from the ministry “center” alongside key international development partners who are instrumental in planning, financing and providing technical assistance during project implementations. The evaluation findings highlight a number of key international development partners who have supported works and transport sector activities in various local governments both in NDP1 and NDPII, a summary of these has been is presented in table 12.

**Table 12: Development partners in Works and Transport at Local government level**

Sector key International Development Partners	
NDP1	NDPII
(i) Absolute Energy	(i) ADB
(ii) ADB	(ii) Busoga volunteers
(iii) CAIIP	(iii) DANIDA
(iv) DANIDA	(iv) DRDIP
(v) IDA	(v) IFAD
(vi) IFAD	(vi) IFDC
(vii) IFDC	(vii) Islamic Development Bank
(viii) JICA	(viii) JICA
(ix) Kibo group	(ix) NUSAF 3- watersheds
(x) NUSAF	(x) Plan international
(xi) RNE	(xi) RTI
(xii) RTI	(xii) Sanitation for Health
(xiii) UNHCR	(xiii) UNHCR
(xiv) USAID	(xiv) USAID
(xv) USDC	(xv) World Bank
(xvi) Water Mission International	(xvi) World Vision
(xvii) World Vision	

*Source: Survey data*

53. The evaluation exercise also sought to establish key projects being implemented by the works and transport sector. Among these included; grading of various road links; 1) periodic maintenance of district roads (through road sealing, culvert installation); 2) bridge construction and rehabilitation; 3) mechanized and manual routine maintenance; 4) maintenance of district feeder roads (including spot murraming); and 4) capacity building on low cost seals.
54. From the various project interventions, strategies and outputs articulated to address the main sector objectives, remarkable achievements have been realized at local government level. A synopsis of these during NDP1 and NDPII following the evaluation exercise is presented in table 13.

**Table 13: Key Local government achievements within the infrastructure sector**

NDP1		NDPII	
(i)	Increased accessibility to Socio-economic centres	(i)	Improved road network (Through new Constructions, routine maintenance, and rehabilitation)
(ii)	Improved district road network (through low cost seal roads constructed, routine maintenance, and rehabilitation)	(ii)	Construction and maintenance of community/ feeder roads
(iii)	construction of a number of bridges	(iii)	Construction of embankments
(iv)	Increased access to rural areas	(iv)	Simplified monitoring of government projects
(v)	Community access roads opened and some improved	(v)	Received road equipment
(vi)	Donation of road equipment	(vi)	A number of bridges constructed
(vii)	Improved service delivery	(vii)	Improved road length
(viii)	Donation of ARMCO culverts to community roads	(viii)	New roads opened
(ix)	Power supply availed		

*Source: Survey data*

55. Despite of a number of works and transport achievements experienced by different local governments, there are challenges that constrain effective service delivery within the sector. The evaluation study attempted to explore these hindrances and the findings have been summarized in table 14 across NDP1 and NDPII.

**Table 14: Key Local government challenges within the infrastructure sector**

NDPI		NDPII	
(i)	Under staffing.	(i)	Poor Operation & Maintenance of roads.
(ii)	Development projects are not participatory.	(ii)	Under staffing.
(iii)	Poor and insufficient road equipment.	(iii)	Development projects are not participatory.
(iv)	Inadequate level of funding.	(iv)	Inadequate level of funding.
(v)	Budget cuts (fluctuating/reducing IPFs).	(v)	Budget cuts (fluctuating/reducing IPFs).
(vi)	Lack of office space.	(vi)	Lack of office space.
(vii)	Poor Operation & Maintenance of roads.	(vii)	Poor and insufficient road equipment.
(viii)	Inadequate transport facilities.	(viii)	Inadequate transport facilities.
(ix)	Poor terrain (poor soil texture).	(ix)	Encroachment on road reserves.
(x)	Climate change (especially during rainy season).	(x)	Poor terrain, poor soil texture, landslides.
(xi)	Untimely release of resources.	(xi)	Bad weather characterized by floods.
(xii)	Difficulty in accessing funds.	(xii)	Lack of partners in road construction.
(xiii)	Lack of community participation in maintenance.	(xiii)	Policy challenges.
(xiv)	Low capacity of private sector.	(xiv)	Untimely release of resources.
(xv)	Low capacity for human resource.	(xv)	Under developed structure for the water sector.
(xvi)	Political intervention and pronouncements.	(xvi)	Lack of community participation in maintenance.
(xvii)	Encroachment on road reserves.	(xvii)	Low capacity for human resource and contractors.
(xviii)	Insufficient donors in districts.	(xviii)	Land compensation challenges.

*Source: Survey data*

**Table 15: Suggested measures to improve achievement of planned results**

Works and transport			
Medium term (5 years)	Long term (more than 5 years)		
(i)	Timely release of funds	(i)	Revise the road policy
(ii)	Provide improved necessary equipment	(ii)	sustainable funding ( lobby funds for rehabilitation and maintenance and also increase IPFs)
(iii)	Increase levels of funding ( lobby funds for rehabilitation and maintenance and also increase IPFs)	(iii)	Provide improved necessary equipment
(iv)	Follow timelines	(iv)	Increase regional mechanical workshops
(v)	Training contractors and overall staff capacity building	(v)	Research on alternative surfacing material and adopt new technology in road construction
(vi)	Filling staff gaps (increasing the wage bill)	(vi)	Follow timelines
(vii)	Construct piped water systems	(vii)	Training contractors and overall staff capacity building
(viii)	More participatory planning	(viii)	Better monitoring and assessment
(ix)	(use bottom-up approach in planning)	(ix)	Create awareness on maintenance
(x)	Tarmacking of tourism roads	(x)	Timely submission of reports
(xi)	Develop national priorities from local priorities	(xi)	Demarcation of road reserves
(xii)	Provision of marine services	(xii)	Develop national priorities from local priorities
(xiii)	Annual and mid-term assessment of planned interventions and better monitoring and assessment	(xiii)	Annual and mid-term assessment of planned interventions
(xiv)	Direct procurement of local materials	(xiv)	More participatory planning (use bottom-up approach in planning)
(xv)	Community sensitization on participation	(xv)	Acquire transport facilities

*Source: Survey data*

### **3.4.5 Water and sanitation**

56. The water and sanitation sector is central for economic growth and development. The sector is key in boosting productivity of other sectors, including; agriculture, health, energy, tourism and environmental conservation. As such, the sector has set strategic goals and objectives intended to improve service delivery to the population and also guide in achieving MDG 7 which is to halve the proportion of people without access to safe drinking water and sanitation. The goal and objectives of the sector have been guided by the National Development strategies as stipulated in the NDP I and NDP II which identify the water and sanitation sector as a key priority sector in alleviating national challenges. The sector's main priorities are to; 1) increase access to safe water in rural and urban areas to 79 and 100 percent, respectively by ensuring that each village has safe water source, increasing sanitation and hygiene levels in rural and sewerage coverage in urban areas to 95 percent, increasing the functionality of water supply systems and promoting catchment based integrated water resource management; and 2) to increase the provision of water for production facilities and increase the functionality and utilization of water for production facilities from current 27.8MCM to 38 MCM by 2019/20.
57. In order to achieve the set objectives, the water and sanitation sector collaborates with a number of key players including the international development partners (see table 16 for key development partners in NDP I and NDP II within the sector) who provide support essential for sustainable service delivery within the sector.



**Table 15: Sector key International Development Partners**

NDP1				NDP2			
(i)	ACDI/VOCA	(xiv)	Mercy corps	(i)	Acord (U)	(xiv)	Mercy corps
(ii)	ACF	(xv)	Save the Children	(ii)	ACTED	(xv)	NWSC
(iii)	Acord (u)	(xvi)	SCI UG	(iii)	CECOD	(xvi)	OXFAM
(iv)	ACTED	(xvii)	Sesakawa global	(iv)	CEGED	(xvii)	PROTOS
(v)	AMREF		2000	(v)	Concern for the girl	(xviii)	Sesakawa global
(vi)	CECOD	(xviii)	Uganda red cross		child		2000
(vii)	CEGED	(xix)	UN WFP	(vi)	Danish refugee	(xix)	Spotlight Africa
(viii)	DRC	(xx)	UNDP		council	(xx)	Uganda Red
(ix)	FAO	(xxi)	UNHCR	(vii)	DRC		Cross
(x)	Icelandic	(xxii)	UNICEF	(viii)	FAO	(xxi)	UNDP
	Development	(xxiii)	USAID	(ix)	HEWASA	(xxii)	UNHCR
	Agency	(xxiv)	WATER AID	(x)	IAS	(xxiii)	UNICEF
(xi)	ILO	(xxv)	World vision	(xi)	ILO	(xxiv)	USAID
(xii)	IRC-Uganda			(xii)	IRC- UGANDA	(xxv)	World vision
(xiii)				(xiii)	Living water	(xxvi)	
					International		

*Source: Survey data*

58. Critical among the key players are Local governments whose major role within the sector is to; support implementation of water supply and sanitation programmes; engage in the construction and rehabilitation of water facilities; manage water and sanitation development and oversee the operation and maintenance of existing water supplies at district level; and overall strengthen collaboration and coordination with other sectors and other players like NGOs, private sector, and civil society.
59. Findings reveal that the key projects being implemented at different Local governments within the water and sanitation sector included; 1) borehole drilling, rehabilitation and maintenance, 2) construction and extension of Gravity Flow Systems, 3) Construction of slaughter houses, 4) water for production (rehabilitation of water for production dams), 5) construction of water systems (Piped pumped water supply system), 6) Sanitation promotion (hardware and software), 7) enterprise development (market development of local products), 8) construction of institutional RH tanks, 9) valley dam desalting, and 10) hygiene and sanitation facilities (construction of VIP pit latrine). From different key interventions that have been implemented at various Local governments, a number of achievements have been realized during NDP I and NDP II. These have been summarized in table 17 below.

**Table 16: Key Local government achievements within Water and Sanitation Sector**

<b>NDP1</b>		<b>NDP2</b>	
(i)	Improved availability and access to safe water coverage	(i)	Improved access to safe water coverage
(ii)	Improved RWSS in RGCs	(ii)	Improved RWSS in RGCs
(iii)	Increase in water coverage in communities	(iii)	Increase in water coverage in communities
(iv)	Boreholes constructed	(iv)	Construction and rehabilitation of Gravity Flow schemes in a number of communities.
(v)	Construction of Gravity Flow schemes in a number of communities.	(v)	Water harvesting structures established
(vi)	Construction and Rehabilitation of valley tanks	(vi)	Improved sanitation and hygiene
(vii)	Improved sanitation and hygiene (pit latrines stances constructed)	(vii)	Increased functionality levels for water systems
(viii)	Value addition	(viii)	Reducing water related disease incidences
(ix)	Increase community participation	(ix)	Construction of valley tanks
(x)	GPS mapping adopted	(x)	Increased functionality of water sources
(xi)	Reduced water borne diseases	(xi)	Increasing awareness about sanitation
(xii)	Sensitization on O&M	(xii)	Solar powered water supply scheme
(xiii)	Establishment of water harvesting structures	(xiii)	
(xiv)	Increased awareness in health and hygiene.	(xiv)	

*Source: Survey data*

60. Despite progress made overtime, there are still major challenges that may deter the sector from achieving the set targets. A summary of these obtained from the evaluation findings are provided below in table 18

**Table 17: Key Local government constraints within Water and Sanitation Sector**

<b>NDP1</b>		<b>NDPII</b>	
(i)	Poor quality of water (high salinity levels of water)	(i)	Reduced IPF by GOU for water projects
(ii)	Inadequate level of funding	(ii)	Inadequate resources
(iii)	Inadequate transport facilities	(iii)	Inadequate transport facilities
(iv)	Piped water schemes have rendered cheap tech obsolete	(iv)	Piped water schemes have rendered cheap technology obsolete
(v)	Breakdowns of systems	(v)	Climate change challenges
(vi)	Under staffing	(vi)	Poor methods of operation and maintenance
(vii)	Lack of commitment towards projects	(vii)	Delayed procurement processes
(viii)	Incompetent contractors	(viii)	Vandalism of water equipment
(ix)	Delayed release of funds	(ix)	Increased population
(x)	High levels of dependency (driven by poverty & population growth)	(x)	Limited donor/partner support
(xi)	Poor ground water potential	(xi)	Poor ground water potential
(xii)	Policy challenges	(xii)	Under staffing
(xiii)	Intermittent and depleting ground water supply	(xiii)	Poverty in the community
(xiv)	Negative attitude and conservatism	(xiv)	High salinity levels of water and siltation of lake clogging pumps
(xv)	Vandalism and theft of water facilities	(xv)	Gravity flow technology is no longer working
		(xvi)	Hard to reach areas
		(xvii)	Irregular and late release of funds

(xvi) Poor operation and maintenance of water facilities	(xviii) Land related challenges issues
(xvii) Inaccessible sites	(xix) Limited capacity building among local contractors
(xviii) Land related challenges issues	(xx) Negative attitude and conservatism
(xix) Limited capacity building	(xxi) Lack of capacity building
(xx) Low success rate for deep boreholes	(xxii) Uncoordinated interventions
	(xxiii) Political disturbances
	(xxiv) Low success rate for deep boreholes

*Source: Survey data*

**Table 18: Suggested measures to improve achievement of planned results**

Water and sanitation	
Medium term (5 years)	Long term (more than 5 years)
(i) Lobby for funding from donors	(i) Increase levels of funding, specifically IPFs
(ii) Timely approval of plans	(ii) Annual and mid-term assessment of planned interventions and better monitoring and assessment.
(iii) More participatory planning (use bottom-up approach in planning)	(iii) Capacity building
(iv) Increased budgetary allocation & IPFs	(iv) Strengthen community based maintenance
(v) Procurement of transport facilities	(v) Review procurement processes
(vi) Continuous capacity building	(vi) More participatory planning (use bottom-up approach in planning)
(vii) Community sensitization and stakeholders	(vii) Transition from use of metallic to PVC pipes
(viii) O&M policy to be developed	(viii) Work plans and budgets submitted on time
(ix) Increased community participation and strengthen community based maintenance	(ix) Timely feedback between stakeholders
(x) Upgrading technology like pumping & solar technologies	(x) Formulation and enforcement of by-laws on O&M of water
(xi) Filling staff gaps	(xi) Operationalize water for production.
(xii) Avail rehabilitation funds	(xii) Avail transport facilities (like motorcycles)
(xiii) Fast and prompt procurement processes	(xiii) Sensitization of all stakeholders
(xiv) Timely feedback between stakeholders	(xiv) Revise the current structure in water sector
(xv) Strengthening partnerships among stakeholders	(xv)
(xvi) Follow implementation timelines	
(xvii) Regular evaluation and monitoring and enhance reviews and joint monitoring.	

*Source: Survey data*

### 3.4.5 Natural resources

61. Like it is in other sectors, the natural resource department is also one of the departments at local governments. The sector is considered to be an enabler socio-economic transformation within the country and it includes natural resources such as land, water/wetlands, savannah woodland and plantation, and forests in specific reserves. Its main goal is to promote and ensure sustainable natural resource use and management. This goal is aligned to NDP I and NDP II sector objectives which include; restoration and

maintaining the integrity of degraded fragile ecosystems to be attained through; a) increasing national forest cover to 18 percent; b) increasing national wetland coverage to 12 percent; c) increasing automation of the climate monitoring network to 40 percent; and d) increasing the country’s resilience to the impacts of climate change effects. The sector involves collaborations with a number of key stakeholders including international development partners. From our analysis, the key development partners both in NDP I and NDP II are listed in table 20.

**Table 19: Sector key International Development Partners**

NDP I		NDPII	
(i)	ACTED	(i)	ACTED
(ii)	ADB	(ii)	ADB
(iii)	ANARDE, REDD+	(iii)	AGODA
(iv)	CARE international	(iv)	ANARDE, REDD+
(v)	CHAI	(v)	CHAI
(vi)	CNOOC	(vi)	CIDI
(vii)	GIZ	(vii)	CNOOC, WWF, GRA
(viii)	OXFAM	(viii)	GIZ
(ix)	TERUDO	(ix)	IAS
(x)	Tree talk	(x)	Plan international
(xi)	UNDP	(xi)	TERUDO
(xii)	UNHCR	(xii)	UNDP
(xiii)	USAID	(xiii)	UNHCR
(xiv)	World bank	(xiv)	USAID
(xv)	world vision	(xv)	World bank
(xvi)	Worldwide fund for nature (WWF-UCO)	(xvi)	World vision
		(xvii)	Worldwide fund for nature (WWF-UCO)

*Source: Survey Data*

62. Local governments on the other hand are responsible for managing local natural resources, for example forest reserves. The carryout support and quality control for natural resources in communities, they are involved in the design and enforcing by-laws, strengthen natural resources aspects in production and environmental committees, engage in district development plan and cross-sectoral coordination, and are in charge of approval of community natural resources, among others.
63. The survey sought to establish the key projects being implemented in various local governments within this department and among these included; a) boundary demarcations using concrete faces for natural resources, b) wetlands management and restoration, c) integrated land management (public land titling), d) development of forestry ordinance, e)

national community tree planting programme (Forest reserve planting), f) the green charcoal project (Energy mainstreaming), g) Lake Victoria environment management project (LVEMP), h) Tree nursery establishment, i) farm income enrollment and forestry conservation project, j) community sensitization (on climate change and disaster risk reduction), k) supply of tree seedlings, l) preparation of the district physical development plan, and m) Environmental Compliance in Enforcement Watershed management. From the various key interventions, major achievements made explored during NDP I and NDP II. These are documented in summary below in table 21.

**Table 20: Key Local government achievements within Natural Resource Sector**

<b>NDP I</b>		<b>NDP II</b>	
(i)	Distribution of tree seedlings	(i)	Boundary demarcation of rivers
(ii)	Tree nursery bed sites constructed	(ii)	Tree planting in communities
(iii)	Tree planting in communities	(iii)	Demarcation and restoration of wetland
(iv)	Protection of river banks	(iv)	Development of forestry ordinance
(v)	Restoration of wetlands	(v)	Establishment of tree nurseries and afforestation
(vi)	Increased forest cover watershed protection	(vi)	Prepared land titles for government land
(vii)	Wetlands demarcated and some restored	(vii)	Sensitization on Natural Resource management
(viii)	Staff capacity development	(viii)	Settling land disputes
(ix)	Community sensitization on sustainable use of Natural Resources	(ix)	Community groups supported with grants
(x)	Environmental compliance monitoring	(x)	Distribution of tree seedlings
(xi)	Creation of local enforcement communities	(xi)	Training on climate change and disaster risk reduction
(xii)	Cement water tanks constructed	(xii)	Training resource user committees and other stakeholders
(xiii)	Land tenure security for public land	(xiii)	Monitoring environmental projects
(xiv)	supporting community groups with tree seedlings	(xiv)	Restoration of forestry reserve
		(xv)	Improved in physical development planning
		(xvi)	Environmental compliance monitoring
		<b>(xvii)</b>	Supported fish farming

*Source: Survey data*

64. Notwithstanding, a number of key challenges within the sector still prevail. These are provided below in table 22 as obtained from the findings.

**Table 22: Key Local government constraints within Natural Resource Sector**

NDP I		NDPII	
(i)	Under staffing	(i)	Lack of office space and equipment
(ii)	Inadequate transport facilities	(ii)	Inadequate levels of funding (limited IPFs)
(iii)	Lack of office space and equipment	(iii)	Lack of political will on environmental conservation
(iv)	Inadequate levels of funding	(iv)	Increasing degradation of natural resources
(v)	Poor community attitude	(v)	Limited alignment of plans to NDPII
(vi)	Weak laws on environment	(vi)	Inadequate transport facilities
(vii)	Poor alignment of plans to NDP1	(vii)	Community ignorance about conservation matters
(viii)	Increased encroachment and allocation of Natural Resources (wetlands, forest reserves)	(viii)	Political interference
(ix)	Poor coordination between LG and centres	(ix)	Delays in budget release
(x)	Low political support	(x)	Poor community attitude (hostile communities)
(xi)	Lack of prioritization at all levels	(xi)	Lack of prioritization at all levels
(xii)	Increased degradation of wetlands	(xii)	Encroachment and allocation of forest reserves, wetlands
(xiii)	No functional local environment committee	(xiii)	Lack of enforcement policies
(xiv)	Erratic weather patterns (prolonged drought)	(xiv)	Slow land information systems
(xv)	Encroachment and allocation of forest reserves		
(xvi)	High cost of processing land titles		
(xvii)	Challenges in management of trans boundary resources		

*Source: Survey data*

**Table 21: Suggested measures to improve achievement of planned results**

Natural resources			
Medium term (5 years)	Long term (more than 5 years)		
(i)	Timely release of funds	(i)	Increase in IPF for the department
(ii)	Increase in IPF for the department	(ii)	Timely release of funds
(iii)	Support with formulating ordinances & by-laws	(iii)	Staff capacity building
(iv)	Data collection on natural resources to inform planning	(iv)	Decentralize implementation of projects
(v)	Community sensitization	(v)	Filling staff gaps
(vi)	Budgeting and planning for mid-term activities and priorities	(vi)	Avail necessary equipment ( like of data collection equipment)
(vii)	District based assessment	(vii)	Prioritization of Natural Resource in planning & budgeting
(viii)	Capacity building	(viii)	Continuous national assessment
(ix)	Provision of transport facilities	(ix)	Improve transport facilitations
(x)	Adaptation to climate change	(x)	continuous monitoring and evaluation
(xi)	Filling staff gaps	(xi)	Lobbying donor projects
(xii)	Mainstreaming natural resources activities in LED	(xii)	Community participation and sensitization
(xiii)	Gazette wetlands	(xiii)	Demarcate all wetlands
(xiv)	Collaborative natural resource management (improved interaction between MoWE & MoLH)	(xiv)	Boundary opening of forest reserves
(xv)	Regular evaluation and monitoring and enhance reviews and joint monitoring	(xv)	Political will to support Environment & Natural management.
(xvi)	Link department priorities to 5yr mid-term plans	(xvi)	Revise environmental laws
(xvii)	Stable budget implementation	(xvii)	Coordination between Local Governments and centres
		(xviii)	Gazette all rivers and mountains

*Source: Survey data*

### 3.5 Local Economic Development (LED)

65. Local Economic Development evolved as policy approaches in the 1970s and 80s in response to governments acknowledge of uneven distribution of economic growth across regions and that different regions have a different comparative and competitive advantage. Since its evolution, LED has been defined and interpreted in various ways; For instance; the Uganda LED policy (2014) defined LED as: “a process through which Local Governments, the private sector and the communities form partnerships to mobilize, manage and invest resources effectively into economic ventures to stimulate development and growth of the locality.” UNCDF / UNDP defined LED as aiming to “enhance peoples’ economic opportunities and quality of life through a process in which public, private and civil society actors work collectively towards improving the competitiveness and employment prospects of a defined territory.” Albeit the various definitions, the central argument for LED is that every territory has comparative advantage whose potentials can be fulfilled if investments are made in the location's local endowments (World Bank, 2016).
66. The purpose of local economic development (LED) is **to build up the economic capacity of a local area to improve its economic future and the quality of life for all.** Swinburn et al (2006) assert that LED is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation. Ultimately, LED is intended to reduce poverty, improve people’s incomes and livelihoods and enhance improved service delivery through increased local government revenues. Figure 6comprehensively illustrates the objectives of implementing an LED.

**Figure 6: Aims of implementing the LED strategy**



Source: Agency for International Development

67. There are a number of advantages associated with LED, among these include:
- (i) The mobilisation of local actors through local development initiatives helps to generate additional proposals for action, resources, and competencies to help achieve them. Local development policies enable local actors to act as catalysts for development and draw on the ideas, energy, and commitment of local people.
  - (ii) Local awareness of needs and opportunities and local involvement in strategy development helps to tailor policy solutions towards the distinct requirements of each area and provides feedback on the effectiveness of the actions that are undertaken. Thus, local development policies adapt responses to local need.
  - (iii) Local development structures provide a forum for an integrated approach to policy delivery in which various instruments and funding streams are combined for maximum effectiveness. This can lead to better coordination of policy, which is important given the multiple causes of unemployment, poverty and social exclusion for example (OECD, 2012).
68. Successful implementation of the LED initiative depends on the one hand on the identification and exploitation of local competitive advantages (like natural resources or skilled human capital) through which a municipality, a district or a region can distinguish



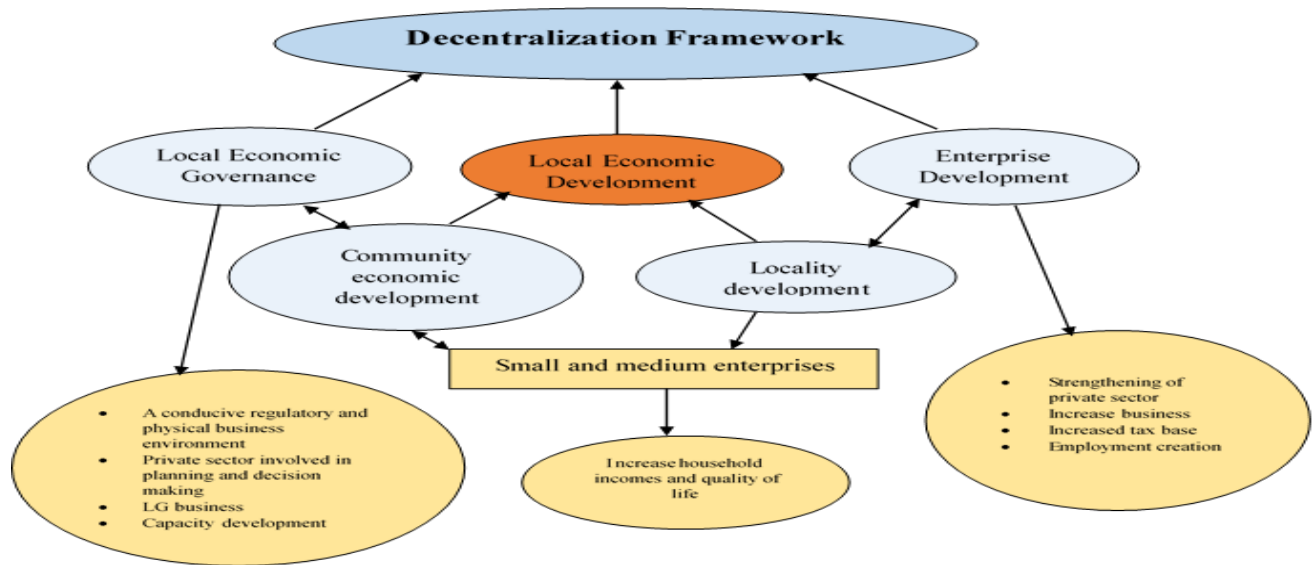
itself from others. On the other hand, on eliminating certain critical bottlenecks or disadvantages that might hamper private sector development (like lack of access to electricity or tarred roads). Accordingly, Local governments have an essential role to play in creating a favourable environment for business development and success and tailoring policies to local needs based on local information. The local governments are also required to identify and liaise with representatives of other local stakeholders, which helps to stimulate more business mindedness among local government administrations and leaders.

69. The intrinsic feature of the LED initiative, therefore, is that it relies on the active leadership of local governments to tap into the endogenous potential of a territory by creating spaces for dialogue and consultation, and forms of coordination between public, private, civil society and academic actors. This means by definition that LED requires local governments that have adequate discretionary powers to adjust national development priorities to the specific competitive advantages and bottlenecks at the local (or sub-national) level. It requires a devolved decision-making structure that allows local governments to enter into consultations and negotiations with local stakeholders (private sector, local communities), based on the mandate that it can take and implement decisions that have far reaching implications for the way in which government resources (budget, staff and assets) are utilised. This means that either the local government needs to have sufficient own revenues, sufficient unconditional grants from central government that can be used for LED, and/or external funding sources. Indeed lack of discretionary power, insufficient funds, the lack of leadership and capacity and poor governance have been the most important reasons the failure of LED in many sub-Saharan African countries.

### **3.5.1 Local Economic Development in Uganda**

70. In Uganda, LED emerged as a result of the process of consolidating all policy issues relating to decentralization into a Decentralization Policy Strategic Framework (DPSF) and formulation of the Ten-Year Local Government Sector Strategic Plan (LGSSP) in 2008. The LED initiative was, therefore, to be implemented under the broad spectrum of decentralization as illustrated in figure 7.

**Figure 7: Local Economic Development and Decentralization Framework**



Source: Mutabwire, 2010

71. As indicated in figure 3, the LED strategy is premised on four main pillars; Locality development, strengthening competitiveness and enterprise development, promoting local economic governance, building community conscience and improvement of their well-being.
72. To support the Local Economic Development initiative, the Ministry of Local Governments drafted and published the Local Economic Development Policy in 2014 to guide the implementation of the LED. The Mission for this policy is **"To create a local governance mechanism which promotes a conducive economic and political environment for private sector investment, employment in local areas for improved household incomes and service delivery"**.
73. Analysis of the Local Government performances reveals a number of LED achievement under different sectors during NDP I and NDP II, albeit with some challenges. The subsequent tables summarise LED achievements and challenges by sector during NDP I and NDP II

**Table 22: LED Achievements and challenges in agriculture**

<b>LED Achievements in agriculture</b>	
<b>NDP I</b>	<b>NDP II</b>
(i) Encouraged commercialization of agriculture	(i) Adoption of technologies including value addition
(ii) Encouraged formation of groups and cooperative among farmers	(ii) Promoted commercialization of agriculture
(iii) Coordination of state and non-state actors in production	(iii) Expansion of community local economic projects
(iv) Distribution of agricultural inputs	(iv) Encouraged formation of cooperative groups among farmers.
(v) Formation of Public Private Partnerships	(v) Distribution of farm inputs
(vi) Formulation of a district investment plan	(vi) Establishment of district LED teams
(vii) Identification and formulation of a LED committee	(vii) Establishment of district investment committees
(viii) Improved farming and breeding practices	(viii) Improved agricultural extension services through field facilitation of extension workers
(ix) Improved levels of savings and credit facilities	(ix) Identification of private partners
(x) Increased access to water among farmers	
(xi) Promotion of value chain development through increased value addition facilities	
(xii) Sensitization of local leaders about LED	
<b>LED Challenges in agriculture</b>	
(i) Delays in fund allocation	
(ii) High cost of inputs	
(iii) High cost of power affecting industries	
(iv) Inadequate knowledge about LED among farmers and communities	
(v) Inadequate transport facilities	
(vi) LED actors are not empowered	
(vii) Lack of cooperation and partnerships among stakeholders	
(viii) Lack of political will to implement LED	
(ix) Limited allocation of resources (especially funds)	
(x) Low capacity of private sector	
(xi) Low electricity coverage	
(xii) Negative attitudes towards new innovation	
(xiii) Poor coordination between LG and sub-counties	
(xiv) Inefficient structures to implement LED	

**Source: Survey Data**

**Table 23: LED Achievements and challenges in health**

<b>Key LED achievements in Health</b>	
<b>NDPI</b>	<b>NDPII</b>
(i) Construction of Hospitals and HCIII	(i) Construction of maternity units in HCIIIs
(ii) Construction of maternity units in HCIIIs	(ii) Construction of hospitals and health centers
(iii) Improved awareness creation on disease prevention	(iii) Awareness creation on disease prevention
(iv) Improved Monitoring and Evaluation of projects	(iv) Improved Monitoring and Evaluation of projects
(v) Improvement in the quality services provided	(v) Increased staffing for HCIIIs and HCIV
	(vi) Introduction of projects for supporting orphans and vulnerable children
<b>LED Challenges in health sector</b>	
(i) Poor behavioral attitude towards health services and health centers	
(ii) Budget allocations don't prioritize LED (Inadequate funding for LED)	
(iii) Late release of funds	
(iv) Under staffing	

*Source: Survey Data*

**Table 26: LED Achievements and challenges in Education**

<b>Key LED achievements in Education</b>	
<b>NDP I</b>	<b>NDPII</b>
(i) Capacity building for teachers	(i) Skilling program for youth
(ii) Construction of classrooms	(ii) Capacity building for teachers
(iii) Construction of pit latrines	(iii) Construction of schools and class rooms
(iv) Increased enrollments	(iv) Reduced school dropout rates
(v) Provision of ICT materials	(v) Improved vocational education
(vi) Improved school inspection	(vi) Improved performance in PLE
(vii) Skilling program for youth	(vii) Improved school inspection
(viii) Improved vocational education	(viii) Provision of ICT materials
<b>LED Challenges in health sector</b>	
(i) Delays in procurement processes	
(ii) Difficulty in mobilizing youth	
(iii) Hard-to-reach areas affecting teacher retention	
(iv) Inadequate funding	
(v) Inadequate training materials	
(vi) Inadequate transport facilities	
(vii) Lack of knowledge about LED	
(viii) Misunderstanding of government policies by parents	
(ix) Explosion of private schools making it difficult for inspection	
(x) Limited political will	
(xi) Poor coordination among LED actors	

*Source: Survey Data*

## Infrastructure (Works and transport) sector

<b>Table 26: Key LED Local Government Achievements within the infrastructure Sector</b>			
<b>NDPI</b>		<b>NDPII</b>	
(i)	Improved community access road network	(i)	Improved livelihoods of communities
(ii)	Increased access to social amenities	(ii)	Improved road network
(iii)	Opened community roads connecting to markets	(iii)	Increased access to social amenities
(iv)	Construction and rehabilitation of bridges	(iv)	Maintenance of roads for improved markets
(v)	Better connectivity to markets with better prices	(v)	Community access roads opened
(vi)	Improved security	(vi)	Better connectivity to markets with better prices
(vii)	Reduced travel time	(vii)	Inter-sectoral linkages
(viii)	Infrastructure development well supervised	(viii)	Improved security
(ix)	Provision of electrical power	(ix)	Improved functionality of water services
(x)	Inter connectivity roads constructed	(x)	Reduced travel time
(xi)	Increased settlement in productive agriculture areas	(xi)	Infrastructure development well supervised
(xii)		(xii)	Rural electrification
(xiii)		(xiii)	Increased settlement in productive agriculture

*Source: Survey data*

## Water and sanitation

<b>Table 27: Key LED Local Government Achievements within the Water and Sanitation sector</b>			
<b>NDPI</b>		<b>NDPII</b>	
(i)	Increased access to safe and clean water	(i)	Increased access to safe and clean water
(ii)	Value addition	(ii)	Enterprise development
(iii)	Water for production (through valley tank construction)	(iii)	Capital contribution to communities
(iv)	Improved sanitation and hygiene conditions	(iv)	Water for production availed (through valley tank construction)
(v)	Market linkages	(v)	Provided water in schools
(vi)	Beneficiaries able to co-fund some projects	(vi)	Better health outcomes (low expenditure on medical bills)
(vii)	Less time spent on collecting water	(vii)	Improved sanitation and hygiene conditions
(viii)	Improved O&M of developed facilities	(viii)	Less time spent on collecting water
(ix)	Promotion of cooperatives	(ix)	Improved O&M of developed facilities
(x)	Improved livelihoods	(x)	Promotion of MSMEs in the districts
(xi)	Improved health outcomes and beneficiary wellbeing		

*Source: Survey data*

## Natural resources

<b>Table 28: Key LED Local Government Achievements within Natural Resource sector</b>	
<b>NDPI</b>	<b>NDPII</b>
(i) High local revenue collection	(i) Improved local revenue collection
(ii) Woodlots established	(ii) Engagement of farmers in agro-forestry
(iii) Establishment of private tree seedling nurseries	(iii) Tree planting for commercial purposes (Provided fast tree growing species of eucalyptus)
(iv) Formed wetland resource user groups	(iv) Provided tree seedlings for timber and wood harvest
(v) Tree planting for commercial purposes	(v) Improved monitoring of wetlands
(vi) Sensitization on legal frameworks	(vi) Soil and water conservation structures established
(vii) Carpentry and joinery businesses boosted	(vii) Promoted alternative sources of energy (Improved sustainable charcoal production)
(viii) Provided tree seedlings	(viii) Supported fishing activities
(ix) Supported community members in craftwork	(ix) Hotels and ECO-lodges established
(x) ECO-lodges for tourists that generate income	(x) Sensitization on wetland management & environmental protection
(xi) Tree nursery management improved	(xi) Sale of handcrafts by community members
	(xii) Trained communities in fuel wood energy

*Source: Survey data*

## Sectoral Key LED challenges

### Works and Transport Sector

<b>Table 29: Key LED Local Government challenges within the Works and Transport Sector</b>	
(i)	Inadequate capacity to participate in LED
(ii)	Low levels of funding/Insufficient IPFs
(iii)	Insufficient and poor quality road machinery and equipment
(iv)	Sector not prioritized
(v)	Influx of people due to wars, oil discovery
(vi)	Land bottlenecks (conflicts affecting project implementation)
(vii)	Climate changes
(viii)	Poor marine transport to connect to islands
(ix)	Under staffing
(x)	Poor road network
(xi)	Poor and delayed procurement systems
(xii)	Political pressure
(xiii)	Lack of office space
(xiv)	Unmarked road dimensions and road reserves
(xv)	Inadequate transport facilities

*Source: Survey data*

## Water and Sanitation

<b>Table 30: Key LED Local Government challenges within the Water and Sanitation Sector</b>	
(i)	Inadequate funding for LED activities
(ii)	Lack of knowledge on LED by leaders (No access to LED information and minimal effort in LED sensitization)
(iii)	Low capacity among staff
(iv)	Inadequate training among community beneficiaries
(v)	High illiteracy levels among community members
(vi)	Poor attitude among community beneficiaries (strong traditional cultural beliefs)
(vii)	poverty in communities
(viii)	Lack of transparency for the beneficiaries
(ix)	Poor water potential in some areas
(x)	Poor road network
(xi)	Climate change (long drought spells) affecting water tables
(xii)	Unclear LED guidelines
(xiii)	Land conflicts
(xiv)	Non-functional LED committee(lack of LED team leaders)
(xv)	Inaccessible hard to reach areas
(xvi)	Inappropriate technology
(xvii)	Minimal involvement of the private sector

*Source: Survey data*

## Natural Resources

<b>Table 31: Key LED Local Government challenges within the Natural Resource</b>	
(i)	Inadequate transport facilities
(ii)	Limited knowledge on LED activities (Inadequate sensitization for communities)
(iii)	Poor attitudes and limited participation among communities
(iv)	Delay in release of funds and lack of funds allocated for LED activities
(v)	Lack of electricity
(vi)	High tree seed prices
(vii)	Limited tree seedlings compared to the demand
(viii)	Poor information dissemination for LED focal persons
(ix)	Erratic weather patterns
(x)	Lack of office equipment
(xi)	Long procurement cycles
(xii)	Fire threats on tree plantations
(xiii)	Low capacity among LED implementers
(xiv)	Under staffing
(xv)	Limited political support
(xvi)	Termites
(xvii)	Poor activity monitoring by Local Government & Central
(xviii)	Poverty in communities leading to non-conservation habits
(xix)	Encroachment on natural resources

*Source: Survey data*

74. Based on the sectoral analysis, a number of challenges stand out and are worthy emphasis. Accordingly, we provide a summary of the general LED challenges at Local Government. Among these include;
- (i) Capacity gaps at district level; i.e district staff lack capacity to implement LED initiative
  - (ii) Inadequate funding which is exacerbated by insufficient local revenue
  - (iii) Limited knowledge about LED at Local Government level and among other actors
  - (iv) Poor business environment (poor roads, high cost of power, load shading)
  - (v) Limited discretionary allocation of funds at Local government
  - (vi) Lack of commitment from the politicians on implementation of LED
  - (vii) Limited entrepreneur ability at local levels
75. In the same vein, we also summarize general suggestion for improving LED implementation at local government. These include;
- (viii) Operationalize LED committees at local governments
  - (ix) Increase funding to local governments
  - (x) Awareness creation about LED initiative
  - (xi) Build capacity of district officer as regards to planning LED
  - (xii) Creating structures for implementing LED at all levels
  - (xiii) Dissemination guidelines on implementation of LED
  - (xiv) Empower private sector by creating a conducive business environment
  - (xv) Encouraging partnerships between local governments and stakeholders
  - (xvi) Filling staff gaps at local government level
  - (xvii) Timely release of funds to Local governments

### **3.6 Financing of local governments**

76. There are three major sources of financing service delivery under decentralization, namely; grants from central government (over 85 percent of the local government budgets), locally generated revenue (less than 5 percent) and donor funding (in form of project support). Grants from central government are in three forms; unconditional, conditional and equalization grants<sup>2</sup>. The legal framework provides for the Local Government Finance

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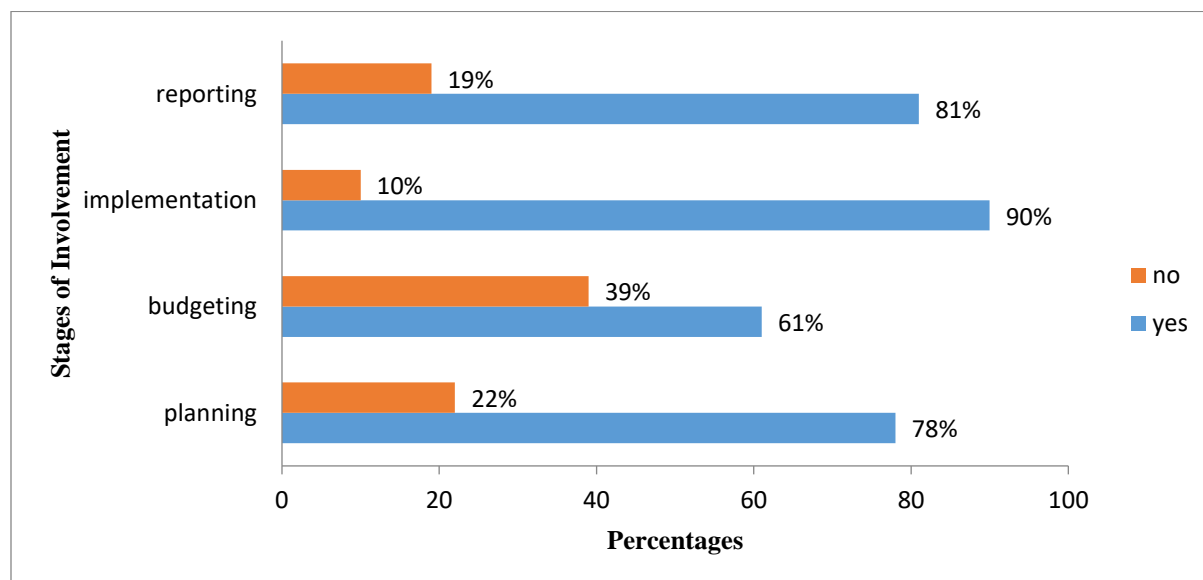
<sup>2</sup> *The equalization grants, according to clause 4 of Article 193 of the 1995 constitution is defined as money to be paid to local governments for giving subsidies or making special provisions for the*



Commission (LGFC) which advises the president on the financial position and needs of local government bodies. The Commission advises on all matters concerning the distribution of revenue between central and local government, and the allocation made to each local government out of the consolidated fund.

77. A review of the local government financing trends reveals that the share of transfers to Local governments from the national budget has reduced over the last decade, particularly development and non-wage grant. For instance, the local government development budget declined between 2010/11 and 2017/18 (budget) by 52% from US\$ 19,900 to US\$ 9,511 per capita. Similarly, non-wage grants (for operational budget) declined from a high of approximately US\$ 25,714 per capita in 2003/04 to US\$ 18,406 in the current 2017/18 budget (ODI, 2017)
78. As regard to international development partners, our analysis shows that on average there are 10 development partners per local government, majority of which (90 percent) harmonise with LGs in project implementation followed by reporting (81 percent) while a proportion of 78 and 61 percent are involved in planning and budgeting (see fig. 8).

**Figure 8: Involvement of International Development Partners**

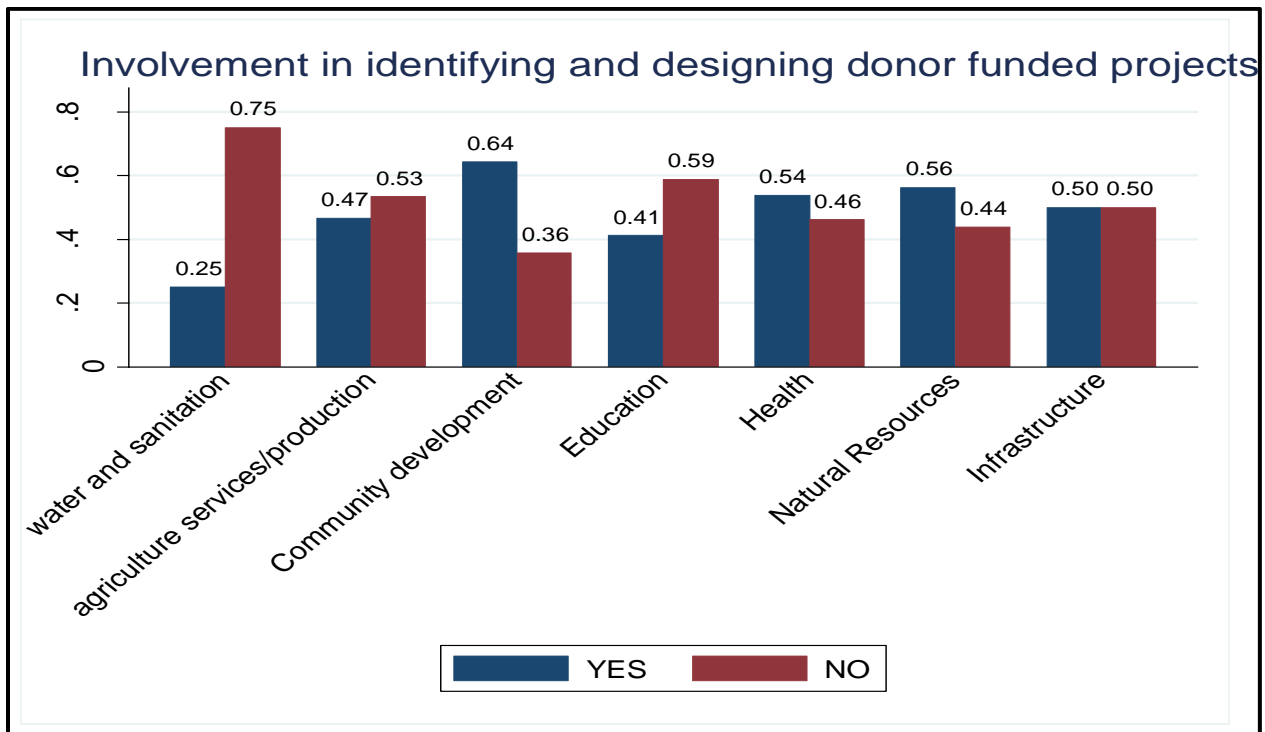


*Source: survey data*

*least developed districts, and shall be based on the degree to which a local government is lagging behind the national average standard for a particular service.*

79. Despite harmonisation of international development partners in terms of reporting; implementation; budgeting and planning, sectoral analysis shows significant variation in involvement of local governments in identification and designing donor funded projects. For instance; figure 9 shows that, while a higher proportions in health, community development and natural resource agree that they are involved in identifying and designing donor funded projects, the results are contrary for water and sanitation, agriculture, and education.

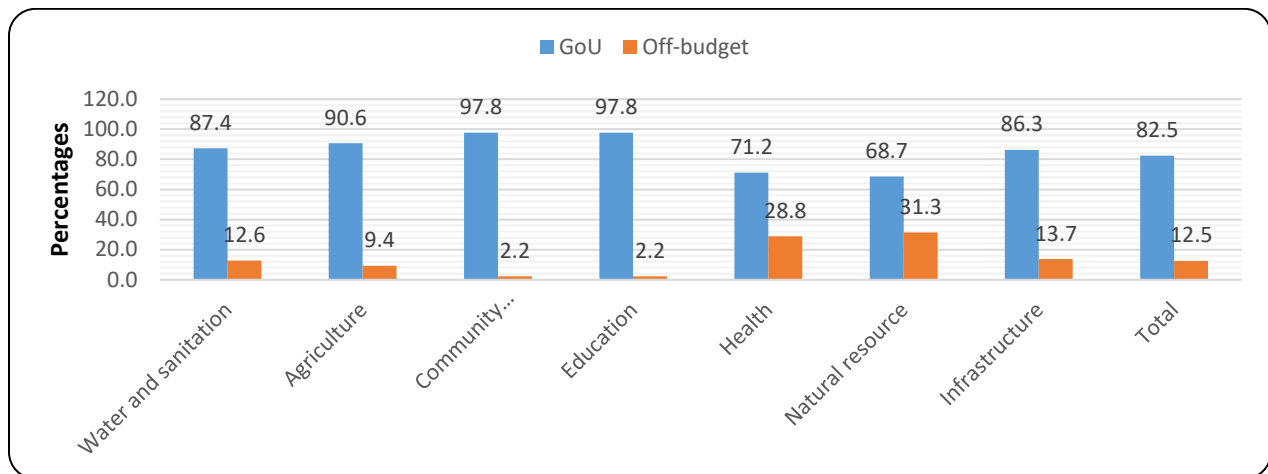
**Figure 9: Involvement in identifying and designing donor funded projects**



*Source: survey data*

80. In terms of the contribution of the development partners, our analysis shows that they provide approximately 13 percent of the total local government budget. Out of the projects being implemented by the local governments, 12.5 percent of the funding is off-budget. A sectoral disaggregation shows that, natural resource has the highest off-budget support at 31.3 per cent, followed by health at 28.8 and then infrastructure at 13.7. Community development and education have the least off-budget support at 2.2 percent (see figure 10)

**Figure 10: Funding sources of key projects by sector**

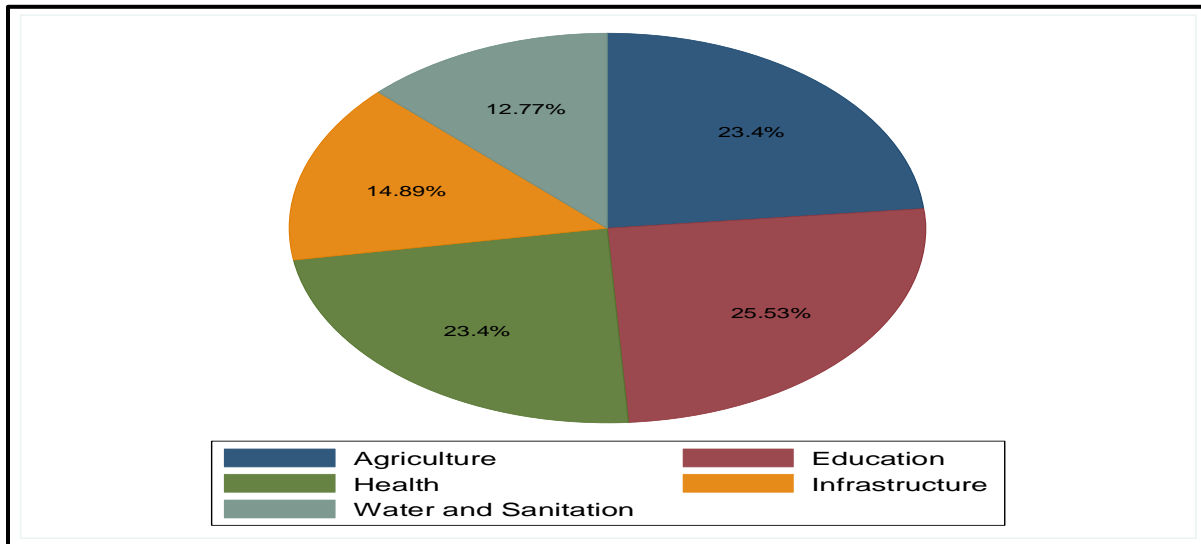


*Source: survey data*

### **3.7 Project design, preparation, and implementation at local government**

81. During the review, a number of projects were visited in the different district with a view of assessing the progress in terms of implementation and challenges encountered during implementation of the projects. A minimum of three projects were projects were visited in each local government. A summary of these projects reveals that education has the highest number of projects implemented with 25.5 percent of the projects followed by agriculture and health both with 23.4 percent. Water and sanitation has the least percentage of projects implemented at local government level (see figure 11). This however does not necessarily imply uneven distribution of resource as some projects require more funding than others. As such there may be fewer projects in particular sector but with a higher budget (e.g infrastructure).

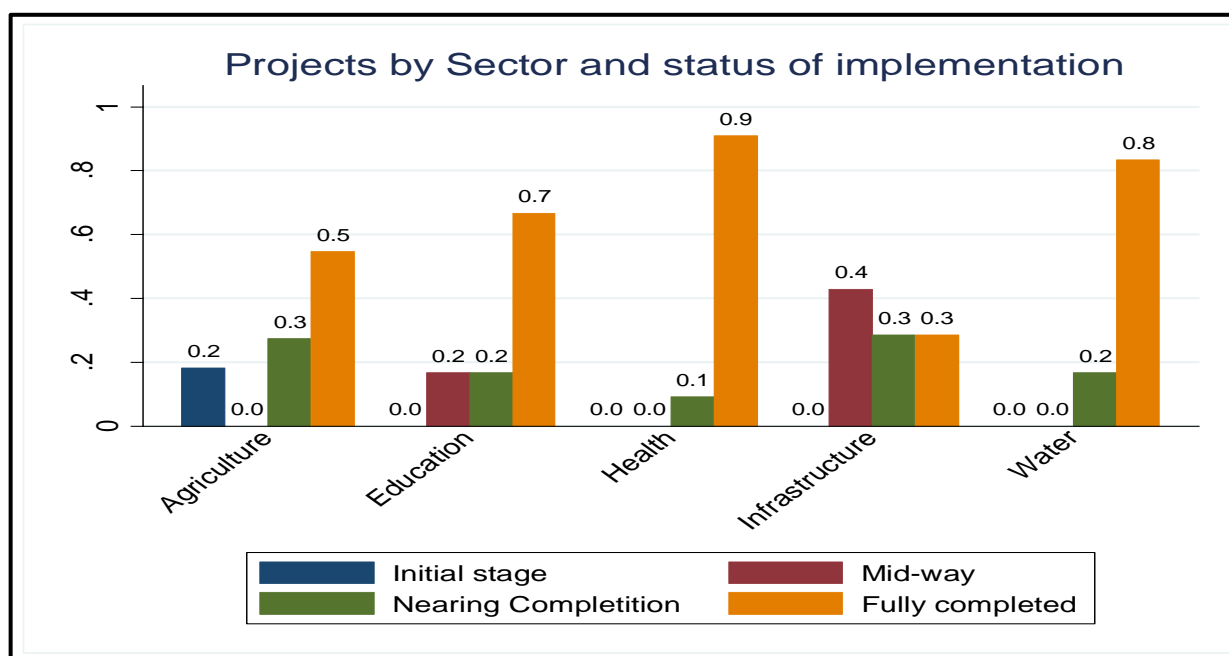
**Figure 11: Distribution of local government projects by sector**



*Source: Survey data*

82. As regards to implementation stage, figure 12 shows that, with exception of infrastructure most of the projects are fully completed. In health, 90 per cent of the projects are fully completed while only 10 percent of the projects are nearing completion. In water and sanitation, 80 percent of the projects are fully completed while 20 per cent of the projects are nearing completion. Only agriculture has projects that are at initial stage (20 per cent). The highest percentage of the projects in infrastructure (40 percent) at local government are mod-way completion while only 30 per cent of the projects are fully completed.
83. In the process of designing and implementing these projects, Local governments are faced with a number of challenges. A thorough analysis of the responses from the different district departments reveals that among the major challenges encountered during project design include; Limited baseline information due to failure to do feasibility studies; Small budget for; projects thus constraining planners to small projects; Inadequate technical personnel in the area of project design; Political interference in the process of designing projects; Lack of cooperation form some stakeholders. To address some of the challenges at projects design, it was suggested that; more research on project design be done; govern addresses issues of funding; Capacity building of the people involved in project design; Involve key stakeholders in designing projects; thorough feasibility study be conducted before project design

**Figure 12: Local government projects by sector and status of implementation**



*Source: Survey data*

84. Similarly, project implementation is also faced with challenges such as; Budget shortfalls; Capacity gaps among implementers; Lack of cooperation from the communities; Conflicting political interests which slows down implementation of some projects; Corruption & misuse of project money; Delay in release of funds also delays implementation of projects; Delays in contracting due to lengthy procurement process; Untrustworthy contractors who do sub-standard works. As a way forward, local governments suggest;

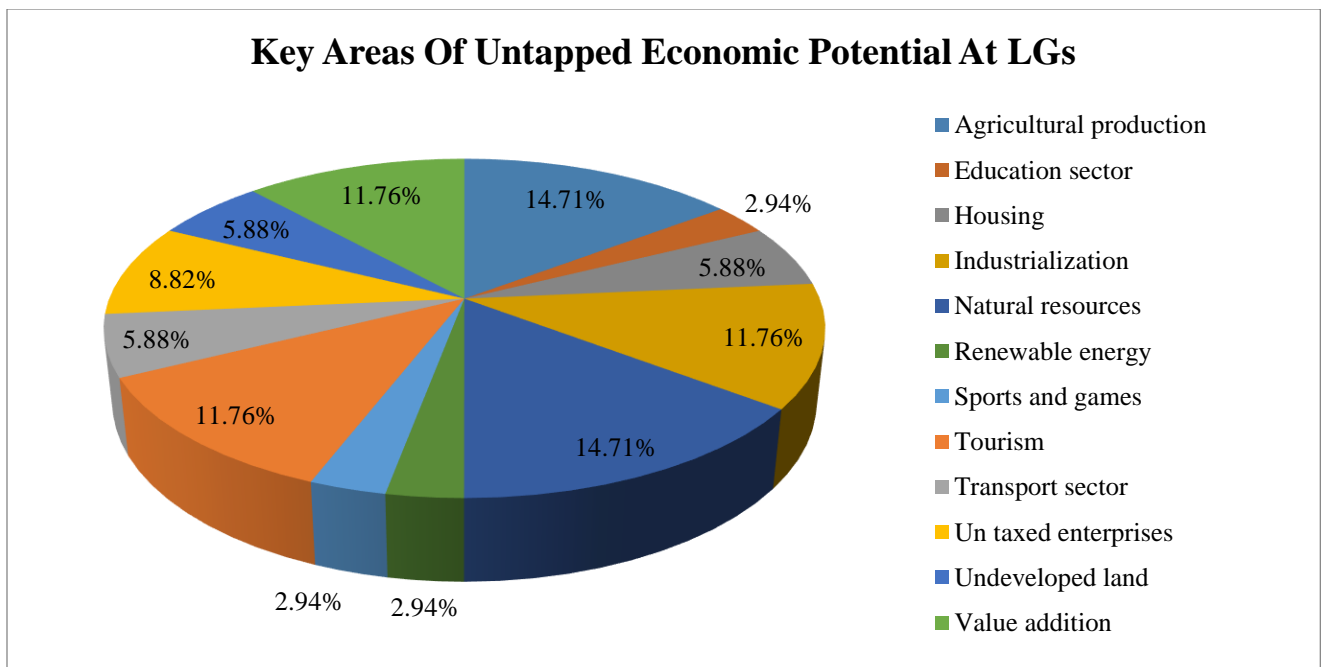
- (i) Increasing funding for projects at local governments;
- (ii) Building capacity of local district officers to effectively monitor the implementation process;
- (iii) involving the local community in project implementation;
- (iv) Creating strong M&E supervisory strategies;
- (v) Harmonization of divergent views (especially from politicians) before commencement of the project;
- (vi) Ensuring timely release of project funds;
- (vii) Reviewing the procurement process to reduce delays;
- (viii) Avoiding over ambitious projects
- (ix) Sensitization of project benefits before project implementation

(x) Select contractors on merit

### 3.8 Areas of Economic Potential at Local governments

85. There is a large degree of untapped areas of economic potential at Locals governments that are key in achieving sustainable growth and development. From Figure 13, the most ranked areas of untapped economic potential in Local Governments as suggested by respondents included; 1) commercialized agricultural production at 14.71 percent (mainly in enterprises such as cassava, citrus, sim-sim, pineapple, livestock, honey, dairy and fish farming), 2) Natural resources at 14.71 percent (including: minerals like gold, marbles, sand, forests and quarrying), 3) Industrialization at 11.76 percent (specifically agro-processing), 4) Value addition at 11.76 percent (for agricultural produce); and 5) the tourism at 11.76 percent.

**Figure 13: Key areas of untapped economic potential in Local Governments**



Source: Survey data

86. Once capitalized on, these areas present key avenues for addressing critical challenges, specifically issues regarding increased youth unemployment at Local governments. From the evaluation findings, other recommendations for addressing youth unemployment suggested by respondents are provided below in summary;

- (i) Develop industrial parks and business incubation centres
- (ii) Invest in value addition & improve post-harvest handling
- (iii) Revise the wage incentives to entice youth
- (iv) Skilling (including soft skills) and retooling youth in line with local needs
- (v) Reviving and funding co-operative societies for youth
- (vi) Empowering and supporting technical institutes
- (vii) Modernization and commercialization of agriculture
- (viii) Improve rural electrification
- (ix) Open innovation centres and support youth innovation
- (x) Avail low interest loans and venture capital through commercial banks systems
- (xi) Avail information on potential investment areas to bridge knowledge gaps
- (xii) Promote service sector of SMEs
- (xiii) Integrate co-operative societies with vocational institutions
- (xiv) Increase YLP funding and make it more revolving
- (xv) Build on success stories and have model youths
- (xvi) Strict monitoring of youth funds
- (xvii) Offer incentives to investors to encourage private investments and development partners
- (xviii) Enforce laws and by-laws against idleness
- (xix) Avail land to youth for them to engage in agricultural production

#### **4.0 Conclusion, key findings and policy recommendations**

87. This chapter was devoted to assessment of the performance of Local governments during NDP I and NDP II. The assessment was structured along six key sectors; i.e agriculture, health, education, infrastructure, natural resources and water and sanitation. The assessment particularly focused on; the role of local governments, achievements made and challenges in different sectors; role of international development partners at local government level and harmonization in planning, budgeting, implementation and reporting; employment at local government; project design, preparation, implementation at local governments; and Financing of Local governments. In the assessment, the aspect of Local Economic development was given special attention. Data collected using both questionnaire and key informant interviews was analyzed using both quantitative and qualitative techniques. The key findings of the analysis include;

- (i) Above 50 percent of the local governments always refer to NDP in executing their duties. Some of the processes and activities that the plan informs include; planning, budgeting, project design and implementation, monitoring and evaluation of projects, setting priorities, procurement process, setting objectives, formulation of sector policies, needs assessment, and reporting of result
- (ii) Local Governments are highly involved in developing sector plans and that their issues are highly considered while developing sector development plans
- (iii) While Local Government departments are highly satisfied with Local Government planning, health and infrastructure department are not satisfied with the budgeting process arguing that key priorities are not being funded
- (iv) Despite the high level of harmonization in reporting, implementation, budgeting, and planning, between international development partners and local governments, there is low level of involvement in identification and designing donor funded projects particularly in water and sanitation, agriculture and education sectors.

88. Among the key challenges undermining the performance of Local Governments include;

- (i) Conditional grants don't meet LG priorities yet they form the highest percentage of government funding



- (ii) Delayed disbursement of funds
- (iii) Inadequate staffing. Indeed our analysis reveals 30 per cent staffing gap at local governments
- (iv) Inadequate funding of Local Governments
- (v) Poor technical-political relations especially arising from patrimonial politics
- (vi) Inadequate technical capacity at the local government to implement some programs
- (vii) Poor conceptualization of the LED strategy at Local Government level
- (viii) Low cooperation from the local communities
- (ix) Low participation of the private sector
- (x) Delays in the procurement process

#### **4.1 Recommendations**

89. Based on the assessment of the local governments' performance, we make the following recommendations

- (i) Reviewing government procurement process to reduces delays in the procurement process
- (ii) Increase funding to local governments and ensure timely release of funds to enable them fully execute their plans
- (iii) Capacity building of the Local Government officials (especially the political wing) as regards to planning, budgeting, reporting, implementation, and monitoring and evaluation
- (iv) Sensitization of Local Government officials and Local communities about LED strategy to improve conceptualization of strategy
- (v) Fill staffing gaps at Local Government levels to improve service delivery
- (vi) Encourage private sector participation by providing conducive business environment such as; electricity, good roads, water for production, favorable regulatory frame work

- (vii) Conditional grants should be in line with priorities of Local Governments
- (viii) Operationalize LED committees at local governments to aid in the implementation of strategy.

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