



Final Evaluation of the First National Development Plan (NDP I) (2010/2011 - 2014/2015)

Development Partnerships Thematic Report (Draft)

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Prepared by



In Association with



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Acronyms

BFP	Budget Framework Paper
BoU	Bank of Uganda
CSO	Civil Society Organisation
EAC	East African Community
GAPR	Government Annual Performance Report
GDP	Gross Domestic Product
GoU	Government of Uganda
IFC	International Finance Corporation
JBSF	Joint Budget Support Framework
JLOS	Justice Law and Order Sector
LDPG	Local Development Partners Group
MDA	Ministry, Department and Agency
MoAAIF	Ministry of Agriculture, Animal Industries and Fisheries
MoD	Ministry of Defence
MoEACA	Ministry of East African Community Affairs
MoEMD	Ministry of Energy and Minerals Development
MoES	Ministry of Education & Science
MoFPED	Ministry of Finance, Planning and Economic Development
MoGLSD	Ministry of Gender, Labour and Social Development
MoH	Ministry of Health
MoIA	Ministry of Internal Affairs
MoICT	Ministry of Information and Communications Technology
MoJCA	Ministry of Justice and Constitutional Affairs
MoLHUD	Ministry of Lands, Housing and Urban Development
MoTIC	Ministry of Trade, Industry and Commerce
MoTWH	Ministry of Tourism, Wildlife and Heritage
MoWE	Ministry of Water and Environment
MoWT	Ministry of Works and Transport
MPS	Ministerial Policy Statement
MTEF	Medium Term Expenditure Framework
MTR	Mid Term Review
NDP	National Development Plan
NDR	National Development Report

NPA	National Planning Authority
NPF	National Partnership Forum
OECD	Organisation for Economic Co-operation and Development
OECD-DAC	OECD Development Assistance Committee
OoP	Office of the President
OPM	Office of the Prime Minister
PIP	Public Investment Plan
PPP	Public Private Partnership
SIP	Sector Investment Plan
SMEs	Small and Medium Enterprises
SWG	Sector Working Group
ToR	Terms of Reference
UBOS	Uganda Bureau of Statistics
URA	Uganda Revenue Authority
PRDP	Peace Recovery and Development Programme

Executive Summary

This report examines development partnerships theme and forms part of the Final Evaluation of Uganda's first National Development Plan (NDP-I). In the context of a set of questions that were agreed in advance, the evaluation focuses on: recent overall trends in Uganda's development partnership, including: trends in the volume and direction of aid; development partner alignment with the NDP-I; the progress that has been made during the NDP-I in improving harmonisation, reducing transaction costs, and strengthening mutual accountability; and the growing importance of development assistance from Uganda's non-traditional development partners.

The preparation of the report has included consultations with relevant stakeholders, including: a round table discussion with the joint Local Development Partner Group; bilateral meetings with Uganda's main multilateral and bilateral development partners; as well as with key officials in the National Planning Authority and in the Ministry of Finance, Planning and Economic Development. The report has also included statistical data analysis, covering the volume and direction of Uganda's development assistance.

The report makes recommendations that address the findings of development partnership theme of NDP-I and covers the ways in which development partnership can be strengthened so that efficient and effective implementation of the NDP-II is enhanced. Key recommendations are presented in Section 5 and are relating to the following:

To strengthen Uganda's development partnership: The GoU to demonstrate stronger leadership in managing the development cooperation and ensuring enhanced engagement of DPs in NDP-II. Better coordination among the DPs is needed, to implement a division of labour to address an inefficient spread of efforts and resources. Close involvement of DPs to ensure a strong understanding of government priorities and alignment of their resources. The Partnership dialogue within National Partnership Forum (NPF) to be more inclusive and effective throughout the entire cycle. To streamline joint sector working groups (SWGs) in line with NDP priority areas for SWGs to become a forum on strategic discussion on sector issues.

To strengthen development partner alignment: The development assistance to be stronger aligned with national priorities with a common framework for alignment of DPs' projects to GoU/NDP priorities. There is a need for structured consultation with DPs on priorities. DPs' planning cycle to be aligned with the GoU budget calendar and DPs to indicate their long-term financial envelope aligned with GoU Budget Calendar. The Government Annual Performance Review (GAPR) to be more systematic and potentially guide the NPF dialogue to make it more

results-oriented and driven by national processes. To improve the quality of budget consultations, including on policy and prioritisation of projects. The sector strategic planning and the plans to be stronger linked to NDP priorities. To strengthen Public Investment management (PIM), and to ensure that all DPs use robust standards for project appraisals.

To strengthen harmonisation, transaction costs and mutual accountability: Stronger collaboration framework between the Government and DPs to be in place. The Government and DPs to agree on the appropriate mode of collaboration and support. To strengthen mutual accountability through improved monitoring, joint programme reviews and reporting, including for off-budget projects. The Budget Support to be encouraged. Harmonisation of DPs reporting is needed. More commitment from DPs to work towards strengthening (and increased use of) country systems. Budget Calendar to specify the key NDP processes and to include consultations with DPs (on programme/sector reviews, prioritisation, planning and medium-term commitments). The GoU to improve the reliability of public financial management, procurement and audit systems and to firmly address donor concerns about putting resources through government channels.

To streamline the development assistance from non-traditional partners: Stronger involvement of non-traditional partners in partnership forum and partnership platforms. To scrutinise the appetite for non-concessional loans. To encourage mutual accountability and using country systems by non-traditional partners, i.e. less ‘tied’ aid, more development focus, rather than private (profit) gain, including contributing to the objectives of the country sustainability, capacity development, and strengthening country systems.

1.0 Introduction

1. **Uganda’s First National Development Plan (NDP-I) was launched in 2010 covering 2010/11 – 2014/15** period in line with the Uganda Vision 2040. The theme of the NDP-I was ‘Growth, Employment and Socio-economic Transformation’. Half way through its implementation, a mid-term evaluation was conducted in 2013. **This report presents the final evaluation of the Plan (NDP-I).**
2. **The overall objective of the assignment is to conduct the final evaluation of Uganda’s NDP-I** and take stock of its performance, generate lessons learned and come up with recommendations for on-ward implementation of NDP-II and design of NDP-III. The NDP-I evaluation along with the NDP II mid-term review and formulation of NDP III will shape the elaboration of the 10-year NDP (NDP 2020-2030) - the first of its kind in Uganda.
3. **This report on development partnerships is one of the Thematic Reports** of the six dimensions of the final evaluation of NDP-I) 2010/11 to 2014/15 commissioned by the National Planning Authority (NPA). The other thematic areas of the evaluation are: economic management; results framework; policy and strategic direction; political economy; and institutional framework; as well as an overall synthesis report.
4. **Purpose of the thematic report:** This thematic report reviews the development partnerships for the NDP-I and covers five major aspects: extent of donor harmonisation; reduction in transactions cost; mutual accountability; untied aid and its impact on NDP-I performance; and ownership. The report presents analysis of the overall contribution of development partners (partnership) in supporting the NDP I priorities. The development partnership theme of the Evaluation focuses on partnerships between the Government of Uganda and its official development partners.
5. **This report is organised into the following sections.** Section one presents **introduction** to the topic. Section two presents **methodology** used to collect and analyse information. Section three presents a **background to the topic and explains the context** in which the development partnership. Section four presents **key findings** arranged under four sub-themes as follows:
 - Section 4.1 presents an overview of **trends in the development partnership** during the NDP-I period, including trends in the volume and direction of aid;

- Section 4.2 considers the question of **development partner alignment with the NDP** and the contribution development partnership has made to the NDP's progress;
 - Section 4.3 considers progress against the objectives of **harmonisation, reduced transaction costs and mutual accountability**;
 - Section 4.4 examines the role of Uganda's **non-traditional development partners**;
 - Section five provides **conclusions and recommendations**.
6. This report was produced by two consultants from October 2018-January 2019. This report is extremely timely as the Government of Uganda (GoU) is about to design the National Development Plan III. This document will hopefully inform and guide this initiative.

2.0 Methodology

7. For this report, the consultants requested and analysed several documents from Government and Development Partners (Annex 1). In addition, semi-structured interviews were held with Government staff and Development Partners stakeholders who were involved in the delivery of NDP-I. The assessment of the strength of development partnerships during NDP-I implementation in this thematic paper is based in part on the specific questions about alignment, mutual accountability, harmonisation, and transaction costs.
8. Semi-structured interviews and document analysis were framed around four areas of enquiry:
- **Trends in the development partnership**, including trends in the volume and direction of aid;
 - **Development partner alignment with the NDP** and the contribution development partnership has made to the NDP's progress;
 - Progress against the objectives of **harmonisation, reduced transaction costs and mutual accountability**; and
 - The role of Uganda's **non-traditional development partners**.
9. These four areas include the guiding questions for this thematic report set-out in the terms of reference of the assignment and Inception Report. It was agreed as part of the inception report that the Development Partnerships thematic report will cover a range of review/evaluation questions. Further details on the areas of enquiry are contained in Annex 3. Evaluation questions are covered as follows.

10. Section 4.1: **Trends in the development partnership** answers the following questions:
- **DP1:** What were the trends in NDP-I in the amount and modalities of development partner resource allocation (traditional and non-traditional donors) to fund elements of the NDP-I?
 - **DP7:** How effective was GoU-donor partnerships in the course of NDP implementation?
 - **DP8:** How can GoU / DP relations be strengthened so that the efficient and effective implementation of the future NDP is enhanced?
11. Section 4.2: **Development partner alignment** answers the following questions:
- **DP2:** To what extent did donor priorities change significantly in the course of NDP-I implementation and how well did DP strategies remain aligned to the NDP-I?
 - **DP3:** What mechanisms did GoU use to ensure that DP support was aligned with NDP-I priorities?
 - **DP4:** Did donor programmes tangibly / measurably contribute to achievement of NDP-I progress?
12. Section 4.3: **Harmonisation, reduced transaction costs and mutual accountability** answers the following questions:
- **DP5:** To what extent did NDP-I provide a framework for improved harmonisation and reduced transaction costs in dealing with different development partners?
 - **DP6:** To what extent did the NDP-I provide a basis for mutual accountability between GoU and DPs
13. Section 4.4: **Non-traditional development partners** answers the following questions:
- **DP9:** What was the scope of effective collaboration with non-traditional donors?
14. The preparation of the development partnership theme report has included **consultations with relevant stakeholders:**
- A round table discussion with the joint Local Development Partner Group (see Annex 4);
 - Bilateral meetings with Uganda's main multilateral and bilateral development partners;

- Bilateral meetings with key officials in the National Planning Authority and in the Ministry of Finance, Planning and Economic Development, Directorate of Debt and Cash Policy.
15. **The development partnership theme has also included statistical data analysis**, covering the volume and direction of Uganda’s development assistance (see Annex 2). There are two main sources of information about development assistance to Uganda; the data held by the Development Assistance and Regional Cooperation Department of the Ministry of Finance, Planning, and Economic Development (MoFPED) which is based on donor reporting in Uganda; and data published by the OECD based on reporting from Development Partners’ headquarters.
 16. **The two data sets are not identical, for several reasons.** They cover different time periods – MoFPED data relates to the Ugandan financial year while OECD data is published on a calendar year basis. MoFPED data better captures aid from non-DAC donors. OECD data probably better captures aid which donors provide “off budget” for example through civil society, although MoFPED is trying hard to make its statistics fully comprehensive. The OECD applies a strict definition of Official Development Assistance (ODA)¹ which in places may be blurred in the data collected by MoFPED.
 17. **The analysis in this report is based largely on the data collected by MoFPED.** This is the information that is built into the annual and medium-term fiscal framework through which the NDP-I was implemented, and, for these purposes, it is disaggregated by the sectors that are used in budgeting making it easier to assess how donors supported NDP priorities.

¹ OECD DAC defines official development assistance as financial flows from official agencies, which are administered with the promotion of the economic development and welfare of developing countries as their main objective; and which are concessional in character and convey a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent).

3.0 Background

18. This section presents a background information and the context in which the development partnership functions and includes: Development Partner engagement in NDP preparation; Development partnership arrangements in NDP-I; and the Government of Uganda's institutional framework in managing development assistance.

3.1 Development Partner engagement in NDP preparation

19. **There was a strong ownership by the GoU in development and driving NDP-I formulation, whereas Development Partners had limited involvement and influence in the NDP-I formulation and process,** as noted in the 2011 survey of Uganda's progress in implementing the Paris Declaration. The survey has also observed a high degree of involvement by the private sector, local government structures, civil society and NGOs in NDP-I formulation. Development partners provided much less technical assistance funding to support NDP-I drafting, probably due to the more nationalistic approach to planning that was adopted. On the part of government there was a particularly strong desire to present the NDP as very much its own strategy.
20. **Development Partners endorsed the NDP once it was published.** A Joint Staff Advisory Note prepared by the IMF and World Bank concluded that both the macro-economic framework and sector specific plans contained in the NDP-I were "compatible" with the government's vision of structurally transforming the economy. But several suggestions were made to strengthen its implementation including clearer prioritisation of investments, actions to make growth more inclusive, the preservation of space for private sector initiatives, and the strengthening of the legal and fiscal framework for public private partnerships.

3.2 Development partnership arrangements in the NDP-I

21. **The Government has been made progress from 2012 to formalise Uganda Partnership Principles,** Framework for the Partnership Dialogue, including institutional framework and roles and responsibilities.
22. **The role of Development Assistance:** The NDP recognised the important role of Official Development Assistance (ODA) provided by partner governments and international organisations in Uganda's recovery, growth and poverty eradication efforts. The NDP-I recognised that in the short to medium term development assistance continues to have an important role to play. Although development assistance as a proportion of government

expenditure has since fallen significantly as domestic revenue has increased (see Section 4.1.1).

23. **Uganda Partnership Principles:** In order to establish a framework for partnership the NDP-I proposed a Partnership Policy to update the Partnership Principles that governed the relationship between government and donors during the pre-NDP period. The Partnership Policy was promulgated in 2012 covering the period of the NDP-I (2010/11-2014/15)².

24. **Framework for the Partnership Dialogue:** In response to the Uganda Partnership Policy and in order to strengthen the joint policy dialogue and the links between sector coordination and overall partnership dialogue, the Government and Development Partners have agreed on the implementing arrangements outlined in the **Framework for the Partnership Dialogue**³, which took effect as of December 2014. The objectives of the partnership dialogue between the Government and Development Partners are to:

- Increase the effectiveness of development assistance in support of the national goals and systems of the Government of Uganda; and
- Ensure transparency and accountability between the Government and Development Partners and to Ugandan citizens in the management of development cooperation.

25. **The guiding principles for the wider partnership dialogue** are built on the five core principles of the Paris Declaration, the Uganda Partnership Policy and the principles for dialogue on external support as proposed by Government at the joint Policy Coordination Committee (PCC) meeting on October 3, 2013, and covers the following: A strategic focus on development outcomes; An inclusive dialogue recognizing different modalities for external support; Alignment to the NDP; Strengthening mutual accountability; and Building Government Systems. In line with that the following key guiding principles underly the Partnership Policy:

- (i) **Alignment:** The Government aims to ensure that Development Cooperation is fully aligned to the NDP and sector strategies, while maximising the use of government systems and procedures.

² Uganda Partnership Policy Towards Implementing the National Development Plan (2010/11-2014/15)

³ The Office of the Prime Minister has launched (in December 2014) Uganda Partnership Policy (2013): Framework for the Partnership Dialogue Between Government of Uganda and Development Partners.

- (ii) **Managing for Results:** The Government and DPs shall improve their policies and procedures in order to maximize the impact of development cooperation on the intended results of the NDP including promotion of human rights and rule of law. Progress on implementing this policy will be evaluated annually.
- (iii) **Accountability:** The Government and DPs shall be accountable to each other and to the citizens of Uganda in the implementation of this policy and in the use of development resources.
- (iv) **Value for Money:** As with its own resources, the Government shall strive towards achieving value for money from its development cooperation.
- (v) **Transparency and Predictability:** The Government and DPs shall apply the highest degree of transparency and predictability on flows and results of development cooperation, in order to foster trust and promote accountability to each other and to Uganda's citizens.
- (vi) **Reducing Transaction Costs:** The Government and DPs shall ensure that improved aid management results in lower transaction costs.
- (vii) **Inclusivity:** The Government shall ensure that all DPs participate in this policy, by adapting its principles to the features of different partners. It shall also ensure that all the Government agencies and national stakeholders including Parliament, Civil Society Organizations and the private sector are involved in the implementation of the policy.
- (viii) **Coordination:** The Government together with DPs shall coordinate the implementation of this policy through existing policy-making structures and processes, to minimise additional transaction costs and maximise alignment with the NDP.

3.3 The Institutional Framework in Managing Development Assistance

26. **The Partnership Policy articulates the institutional framework that defines the roles and responsibilities in managing aid:**

- (i) **The Office of the Prime Minister (OPM)** is responsible for the overall PP coordination, and monitoring and evaluation. It will also be responsible for

supervising discussions with DPs on the design and implementation of development cooperation and will oversee accountability issues.

- (ii) **The Ministry of Finance, Planning and Economic Development (MoFPED)** is responsible for mobilizing financial resources and managing them in manner that promotes economic growth and development. It will take the lead in development cooperation negotiations and thereafter the disbursement and reporting of development cooperation.
- (iii) **The National Planning Authority (NPA)** is responsible for preparing comprehensive national development plans and guiding the planning process. It will play a key role in identifying NDP financing needs and in monitoring the implementation of the NDP.
- (iv) **MDAs** are responsible for formulating and implementing NDP programs and will within the context of development cooperation be required to effectively utilise, record and account for expenditure of monies received.

27. In order to strengthen joint policy dialogue as foreseen in the Partnership Policy, Government and Development Partners agreed on the implementation arrangements outlining the framework for partnership dialogue. To maximise alignment with NDP and minimise transaction cost the, partnership dialogue was aligned to the national planning, budgeting and reporting cycle and managed using existing Government policy-making structures and processes. Specifically;

- (i) The highest level of consultation is coordinated under the **National Partnership Forum (NPF)**, chaired by the Prime Minister and attended by Minister, Ambassadors, Head of Development cooperation to discuss policy issues pertaining to promoting development assistance effectiveness and mutual accountability.
- (ii) The NPF was supported by the **Partnership Task Force** chaired by the Permanent Secretary, Office of the Prime Minister to prepare the NPF and follow-up agreed actions and implementation of the Partnership Policy. Members of the task force include, OPM, MoFPED, National Planning Authority, the NGO Forum and Development Partners.
- (iii) At a sector level to strengthen implementation and coordination of sector strategies and policies in line with NDP, **Sector Working Groups (SWGs)** were established

chaired permanent secretary of the concerned line ministry. The SWGs have been operating and major platforms for formulation and coordination of sector strategies, oversee development cooperation, promote alignment and harmonisation of development partner program at the sector level.

- (iv) **The Local Development Partners' Group (LDPG)** is the apex coordination forum for Development Partners in Uganda. The LDPG coordinates Development Partners' engagement with the Government on overall issues related to development cooperation and oversees the work of thematic/sectoral Development Partners' Groups (DPGs).

28. The Section below examines the extent to which the provisions of the Partnership Policy were followed in the implementation of NDP-I. **Further consideration is needed to the principles of Busan (2011) Partnership - four principles of effective development co-operation, that cover: country ownership; a focus on results; inclusive partnerships; transparency and mutual accountability.**

4.0 Findings

29. This section presents the findings of development partnership theme of NDP-I and covers: Trends in Uganda's Development Partnership (section 4.1); Development Partner Alignment (section 4.2); Harmonisation, Transaction Costs and Mutual Accountability (section 4.3); and Development Assistance from Non-Traditional Partners (section 4.4).

4.1 Trends in Uganda's Development Partnership

30. This section explains trends in Uganda's development partnership over NDP-I period, covering the amount and modalities of development assistance that have been provided to support the NDP. It provides an overview of the strength of partnership with a more general narrative that captures significant recent trends and events, including trends in the volume and direction of development assistance. The Section answers the following questions:

- **DP1:** What were the trends in NDP-I in the amount and modalities of development partner resource allocation (traditional and non-traditional donors) to fund elements of the NDP-I?
- **DP7:** How effective was GoU-donor partnerships in the course of NDP implementation?
- **DP8:** How can GoU / DP relations be strengthened so that the efficient and effective implementation of the future NDP is enhanced?

4.1.1 Development Assistance Trends

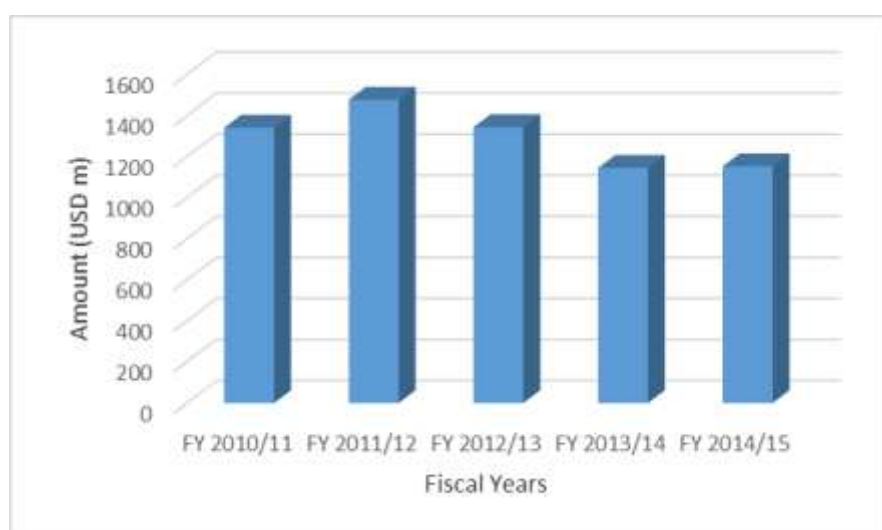
31. Analysis of trends in Uganda's development assistance is based largely on data provided by the Development Assistance and Regional Cooperation Department of the MoFPED. The data has been analysed focusing on the NDP-I period (2010/11 - 2014/15) and covers total aid flows, the allocation of assistance between budget support and project aid, the sector allocations of assistance using the sector definitions captured in the government's MTEF, and the allocation of assistance between development partners.

32. **The Total Development Assistance to Uganda declined over the NDP-I period.** Development Assistance to Uganda has been provided in recent years in a global context in which after growing significantly in both real and nominal terms following the 2005 Gleneagles agreement development assistance has subsequently been affected by global recession. Over the NDP-I period Development assistance averaged at around US\$ 1,292 million annually.

33. **There were volatilities in in-year development assistance in flows.** The year to year volatility arose from partner's adjustments in their support to Uganda in response to Uganda

PFM challenges and to issues affecting the wider development partnership. During the first two years of the NDP-I, Uganda received aid averaging US\$ 1,409 million per annum compared to NDP-I period annual average of US \$1,292 million. During the first year of the NDP (FY 2010/11) the total Development Assistance (both on-budget and off-budget) amounted to US\$ 1,341.6 million. In the second year (FY 2011/12) Development Assistance grew by 10% to US\$ 1,477.6 million. This was followed by a decline of 9% in FY 2012/13, followed by a further decline of 9% and 0.7% in FY 2013/14 and FY 2014/15 respectively.

Figure 1: Development Assistance over the NDP-I Period: Total Disbursements

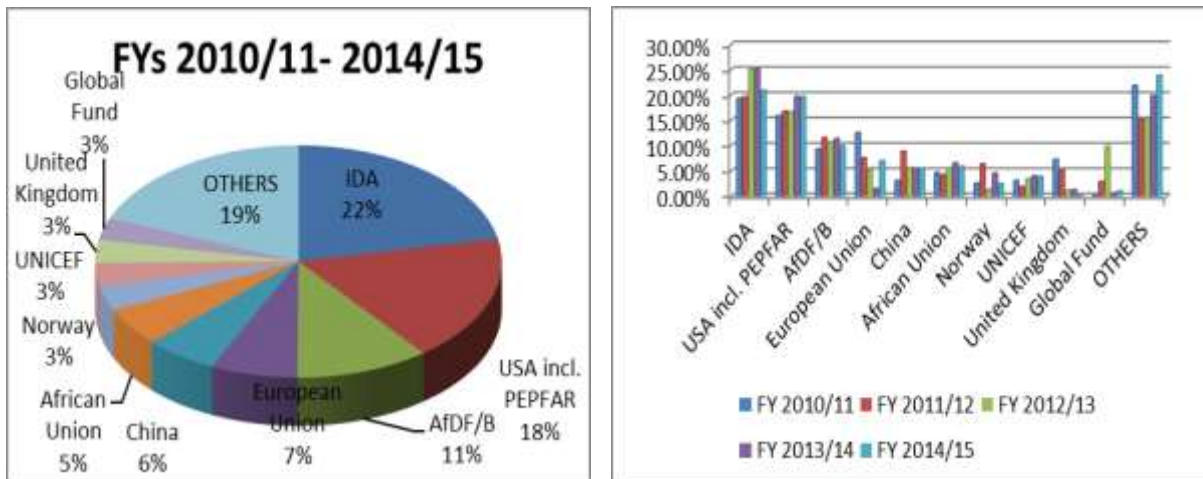


Source: MoFPED, 2018

34. During the last three years of the NDP-I period there was a decline in development assistance flows well below the period average to US\$ 1,214 million. The decline may be explained partly by the global recession and by the cut down support to Uganda arising from the financial management challenges faced the country in FY 2010/11 pertaining to the failure to account for the resources meant for Peace Recovery and Development Programme (PRDP). The figure above shows the trend of total development assistance over the NDP-I period.
35. According to MoFPED information, development assistance over the period of NDP-I was provided by a total of 31 donors. **The 63 per cent of the amount disbursed was provided by just 5 of these partners (IDA, ADF, EU, USAID, and China).** The remaining 26 partners provided just 37 per cent.
- This is illustrated in

Figure 2.

Figure 2: Development Assistance over the NDP-I Period: Development Partners



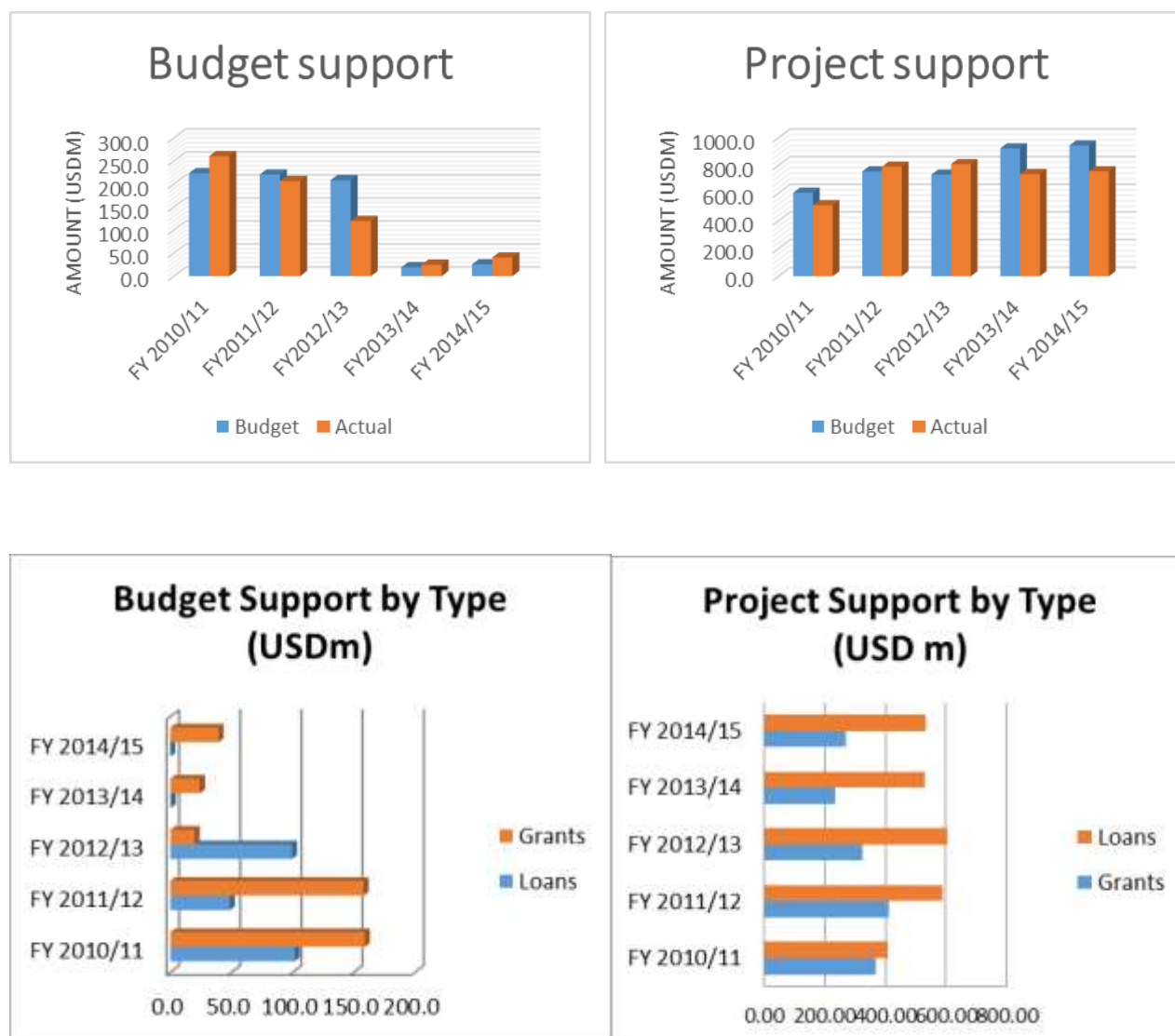
Source: MoFPED, 2018

36. **Budget support inflows have declined over the years. Budget support fell from US\$ 260.7 million in 2010/11 to US\$ 39.7 million in 2014/15.** This is illustrated in Figure 3 below. The decline could be mainly explained by the significant misappropriation of public funds especially since the 2006. Notably, the Global Health Funds, Commonwealth Heads of Government Meeting (CHOGM) in 2007, Government Pensions and the Peace Recovery and Development Programme (PRDP) funds. The unpredictability of budget support is closely related to development partner’s assessment of results and performance. The Joint Budget Support Framework has been designed in a way that is supposed to address unpredictability in disbursements. Poor predictability of budget support from DPs and shortcomings in the financial information provided for budgeting and reporting have resulted low markings in Public Expenditure and Financial Accountability (PEFA) Measurement Framework.
37. **On average, on-budget grant inflows amounted to 37.7 per cent of total ODA to Uganda over the NDP-I period (FY 2010/11 - FY 2014/15), of which 24.9 per cent and 75.1 percent was in form of budget support and project support respectively.** Loan inflows amounted to 62.3 per cent of total ODA, of which 90.6 per cent was in form of project support loans and only 9.4 per cent was in form of budget support. On-budget development assistance on an annual basis averaged to US\$ 853.2 million over the NDP period. This is

illustrated in **Figure 3**. The numbers for off-budget support are based on submission from Development partners, Government has no clear mechanism for validation of numbers⁴.

38. The delays of project aid implementation are mostly related to procurement delays.

Figure 3: Development Assistance over the NDP-I Period: Type and Channel



Source: MoFPED, 2018

39. Overall, over the period of the NDP-I the development assistance went to priority sectors of NDP-I. 26.4 percent of total development assistance (on-budget and off-budget) excluding security went to the health sector, followed by 18.8 percent to the works and transport sector, 12.1 percent to public sector management, 8.8 percent to energy, 7.5 percent to water and environment,

⁴ Assistance not appropriated by Parliament channeled through NGOs, CBOs and directly implemented by Development Partners. These are projects (mainly grants) whose activities or finances are not directly managed through Government financial systems.

7.0 percent to education, 5.4 percent to agriculture and other sectors followed and indicated in Figure 4.

40. **At sector level, the works and transport sector received the biggest percentage of on-budget project** development assistance on average over the period under review. On average the works and transport sector received 27 per cent of total on-budget project support. This was followed by public sector management⁵ (15.6 per cent), energy (11.6 per cent), security (10.8 percent)⁶, health (9.5 per cent), water (7.6 per cent), education (6.9 per cent), agriculture (4.1 per cent), the accountability sector (3.0 per cent)⁷ and ICT national guidance (1.5 per cent), and lands (1.4 per cent). The other sectors received less than a percentage point of project support. The distribution of the project support was in line with government growth sectors an envisaged in the NDP. This is illustrated in

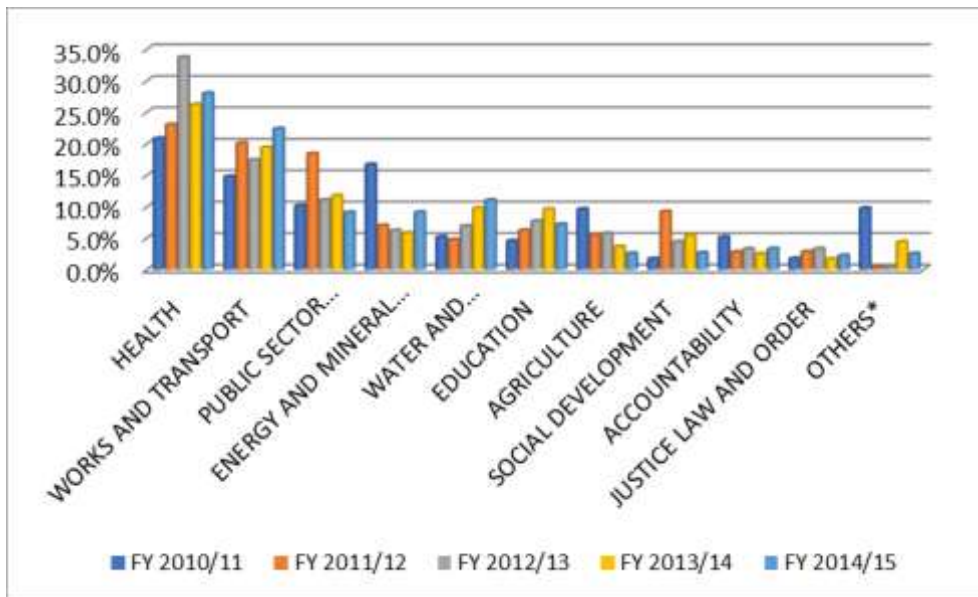
⁵ This sector includes projects in the areas of local government capacity building, public service and pension reform, disaster Preparedness and refugees, and the coordination of the East African Community affairs.

⁶ The support to security relates to AMISON and largely provided by the African Union and the United Nations.

⁷ This includes projects in the areas of macroeconomic policy and management, development policy research and monitoring, private sector development, microfinance, and public finance management and procurement.

Figure 5.

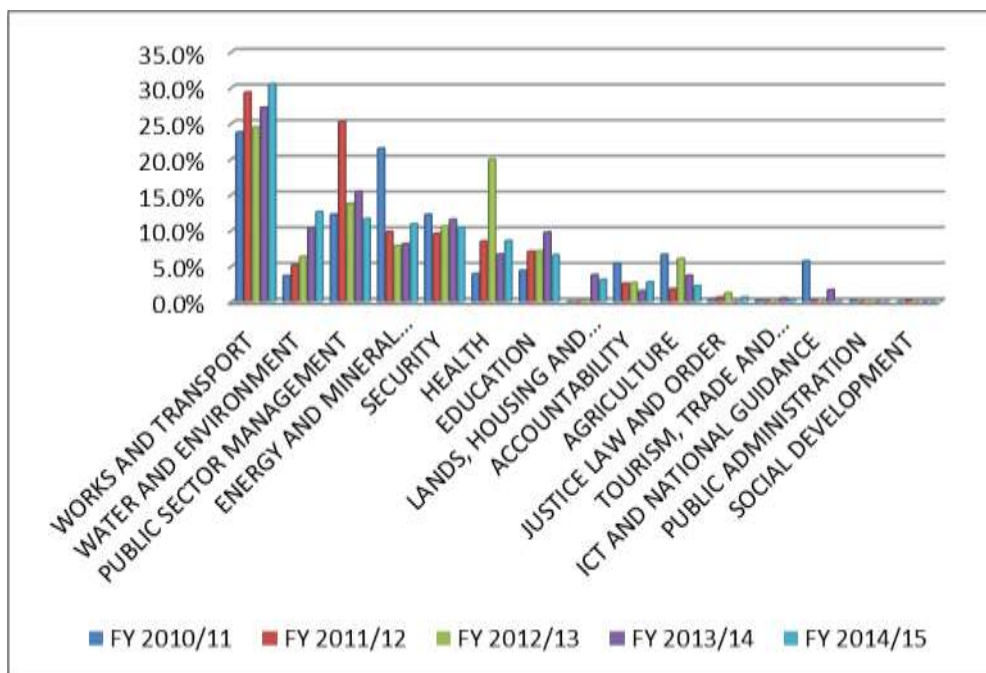
Figure 4: Trends in Total Project Development Assistance by sector



Footnote: * other sectors include accountability, public sector management, tourism, ICT and other off-budget support that could not be aligned to Government Sectors.

Source: MoFPED, 2018

Figure 5: Development Assistance over the NDP-I Period: On-Budget Project Support by Sectors

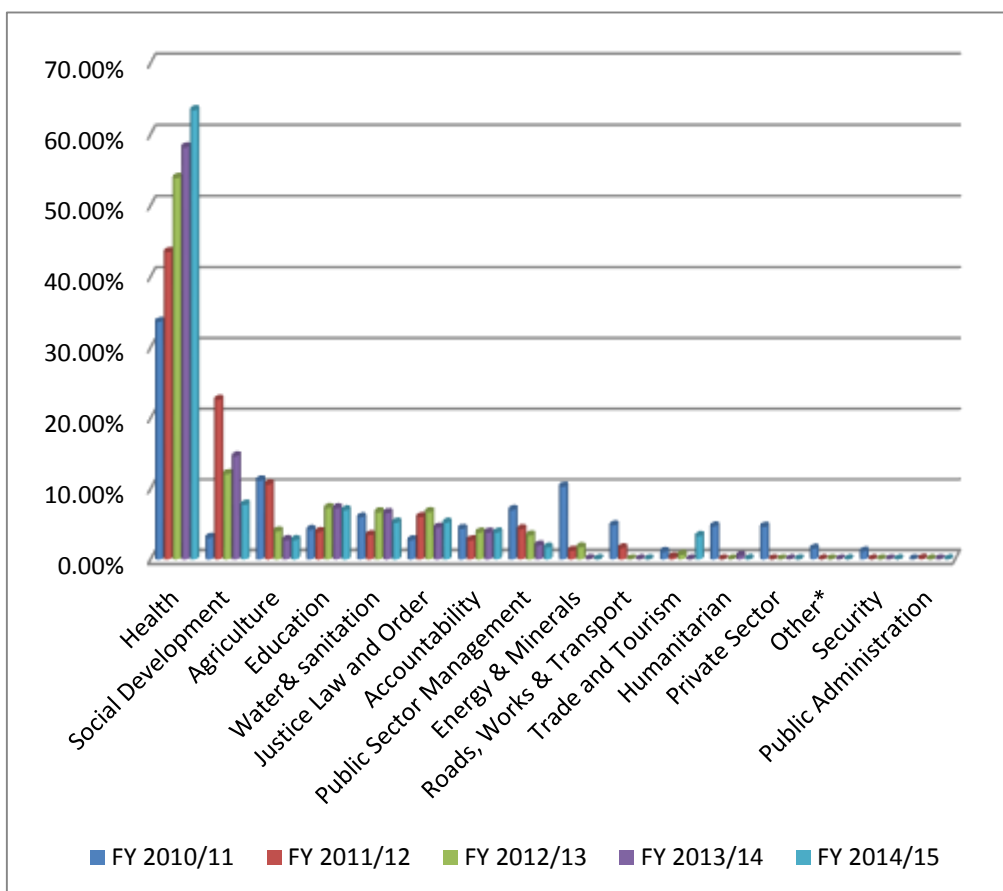


Source: MoFPED, 2018

41. In addition to the on-budget support the sectors also benefited from the off-budget development assistance. The largest proportion of off-budget project support over the period under review went to the health sector. 50.5 per cent of assistance provided outside the budget over the NDP 1 period (FY2010/11 - 2014/15) was committed to health, 12 per cent to social development (principally social protection), 6.2 per cent to agriculture, 5.9 per cent to Education, 5.5 per cent to water and sanitation and 5.0 per cent to justice and order sector including governance. This is illustrated in Figure 5.

42. **There are gaps between the disbursement estimates that donors provide before the Uganda financial year commences and actual disbursements once the year gets underway.** Only 92 percent of total commitments of development assistance committed by development partners over the period of the NDP-I was realised. This implies that on average there was a shortfall of 8 percent, which effects on implementation of programs and consequently achievement of the NDP goals and targets.

Figure 6: Development Assistance over the NDP-I Period: Off-Budget Project Support by sectors



Footnote: * Support that could not be aligned to Government Sectors.

Source: MoFPED, 2018

Figure 7: Development Assistance over the NDP-I Period: Commitment/plan vs Disbursement

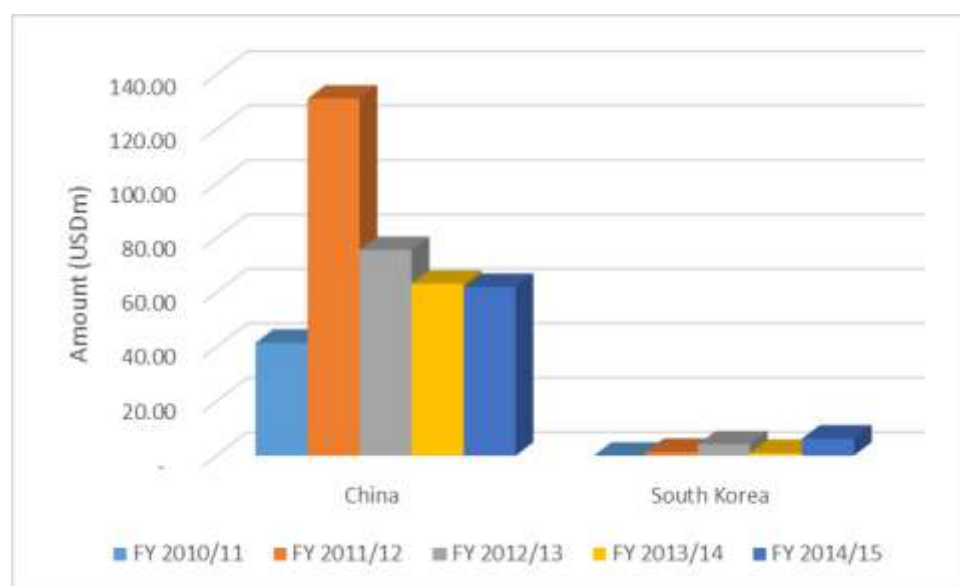


Source: MoFPED, 2018

43. **The importance of aid from Uganda’s non-traditional partners has grown. Support from China increased** from US\$ 41.5 million in 2010/11 to US\$ 62.0 in 2014/15 (i.e. from

5 per cent to 8 per cent of total development assistance). In FY 2011/12 the development assistance from China was US\$ 131 million on the account of new project financing, including, the Kampala- Entebbe Express highway and expansion of Entebbe International Airport. On the other hand, the support from South Korea is slowly building up from US\$ 1.4 million in 2011/12 to US\$ 6.3 in 2014/15 (i.e. from 0.1 per cent to 0.8 per cent of total development assistance).

Figure 8: Development Assistance over the NDP-I Period: Non-traditional Partners



Source: MoFPED, 2018

4.1.2 Development Partnership Policy Framework in Uganda

44. **Development Partnership Policy principles to be better aligned to the principles of global partnership.** Assessment of effectiveness of Development Partnership framework is considered in the context of global partnership principles (such as the Paris Declaration (2005), Accra Agenda Action (2008) and Busan Global Partnership (2011) international agreements on aid effectiveness) and Uganda Partnership Policy (2012). The above agreements and policies focus primarily on five core principles for effective development which emphasise the importance of: developing countries setting their own strategies for poverty reduction, improving their institutions and tackling corruption (ownership); donor countries aligning behind these objectives and using local systems (alignment); donor countries coordinating, simplifying procedures and sharing information to avoid duplication (harmonisation); developing countries and donors shifting their focus to development results (results); and donors and development partners both being accountable for these results (mutual accountability).

45. **The Uganda Partnership Policy (2012), sets out the guiding principles and priorities of the Government of** Uganda's management of the relationship with its Development Partners (DPs) and the external assistance they provide, within the context of the National Development Plan (NDP). The policy outlines institutional arrangements and coordination mechanisms that the Government set out to implement the policy with clear roles and responsibilities of MDAs in managing development partnerships.
46. On the down side, **the policy did not spell out the performance framework to monitor the commitments.** It recognised that coherence commitments will not be monitored through the PP performance assessment framework, Government will instead proactively engage DPs to achieve its intended goals. This left a potential gap on monitoring the implementation of the policy commitments.
47. Furthermore, **the Memorandum of Understanding** between Government and Development Partners intended to formalise the coordination mechanisms for the policy as envisaged under the Partnership Policy did not materialise. This created difficulty for Government to hold Development partners responsible for implementing the Policy.
48. **The Partnership Policy was only finalised in the middle of the NDP-I implementation.** The Partnership Policy provided a framework for effective relationships between government and donors during the implementation of the NDP. However, it was only finalised in the middle of the NDP period, it was finalised three years down the road during the implementation of NDP-I.
49. **Most of the non-traditional donor support did not subscribe to Partnership Policy,** however, they participate in the donor coordination forums and/or meetings but are not normally bound by decisions of such arrangements. Nevertheless, non-traditional partners offer opportunity in filling the funding gaps for the priority programs of the NDP.

4.1.3 Development Partnership Institutional Framework

50. During the second half of the NDP-I, with the coming into effect of the Partnership Policy, **the National Partnership Forum (NPF) under the chair of the Prime Minister replaced the JBSF.** The NPF became the framework for high level policy dialogue with joint meetings scheduled between development partners and Government, both the Implementation Co-ordination Steering Committee in which permanent secretaries meet to oversee government performance and the Ministerial level Policy Co-ordination Committee which chaired by the Prime Minister. Annual decisions are linked to Government Annual

Performance Report (GAPR). The GAPR focuses on assessment of progress against Government's commitments made in the National Development Plan, Budget Speech and Ministerial Policy Statements.

51. During the first years of NDP-I implementation, **in the absence of the Partnership Policy, relationships were framed principally around Sector Working Group (SWG) processes and the Joint Budget Support Framework (JBSF).** The SWG brought together government, bilateral and multilateral donors and other actors at sector level⁸. The JBSF since 2007/08 had provided the structure in which general and sector budget support was managed. The JBSF became the principal focus for high level policy dialogue with joint meetings scheduled between budget support donors and both the Implementation Co-ordination Steering Committee in which permanent secretaries met to oversee government performance and the Ministerial level Policy Co-ordination Committee which chaired by the Prime Minister. Annual disbursement decisions were linked to a Joint Assessment Framework (JAF) of actions and indicators. **The JBSF was abandoned in 2010/11.**
52. **Government introduced the Sector-wide approach (SWAp) to planning in 1999/2000.** Each sector was required to set-up a SWG composed of key stakeholders to coordinate the planning process. After the national budget consultative meeting, each SWG organises discussions with spending agencies within the sector and agree on sector priorities and the financing required. Each SWG is made up of representatives from all Ministries within the sector, the MoFPED, Departments and Agencies within the sector, representatives from civil society and the private sector, Local Government representatives and representatives of development partners.
53. **The SWGs continue to form the basis for sector coordination and is used to bring DPs around agreed sector objectives and policies, however improvements in effectiveness are needed.** SWGs provide a vehicle for integrating and reporting on assistance within sector strategies and ensuring that development partner support is aligned with national planning priorities. They are attended by the Government, DPs and national stakeholders as appropriate. Development partners are particularly active in 9 of the 16 main sector working groups⁹ that exist under the current structure as well as in the cross-cutting groups that have

⁸ This includes the framework for the implementation of the Peace Recovery and Development Programme (PRDP) in Northern Uganda.

⁹ These are the Sector Working Groups for Agriculture, Water and Environment, Energy and Mineral Development, Works and Transport, Accountability, Social Development, Health, Education and Justice, Law and Order.

been established for HIV/AIDS and for gender. These meet at least quarterly. In parallel with these groups development partners maintain their own sector arrangements to coordinate and share information. The larger sector working groups, such as those for health and education, break in to smaller groups at technical level to cover key sub-sectors.

4.1.4 Challenges Facing Government-Donor Relationships

54. **The relationship between government and donors arguably became increasingly difficult as consequence of delayed finalisation of the Partnership Policy**, as well as weak framework for coordination after the end of JBSF. Challenges were faced in public financial management notably misappropriation of public funds especially since the 2006. **To address the issues, the Government has adopted a high-level action matrix, which was managed by MoFPED.**
55. **Development partners raised question about NDP-I results and performance, which have been regularly discussed in policy dialogue.** Only little progress has been made on these issues discussed. These issues related to budget credibility, particularly, the mismatch between budget planning and implementation; budgets not reflecting the allocations proposed for priority areas in the NDP-I; the significant underfunding of front-line service delivery and infrastructure maintenance; and persistent supplementary budgets that favour public administration. There is also perpetual concern about the government's low revenue performance.
56. **Successive Donor Statements at the Annual Budget Workshop in recent years of NDP-I have each covered much the same ground.** This explain the volatility in development assistance flows and the diminishing trend in budget support over the period under review. Budget support fell from US\$ 260.7 million in 2010/11 to US\$ 39.7 million in 2014/15.

4.2 Development Partner Alignment

57. This section examines DP alignment with the NDP-I, the extent to which donor strategies are aligned to the NDP-I and the extent to which their priorities have changed as a response. It also covers the mechanisms that the government has used to ensure that development partners' support is aligned with NDP-I priorities. Finally, it considers how far donor programmes have measurably contributed to the achievement of NDP progress.
58. The Section answers the following questions:

- **DP2:** To what extent did donor priorities change significantly in the course of NDP-I implementation and how well did DP strategies remain aligned to the NDP-I?
- **DP3:** What mechanisms did GoU use to ensure that DP support was aligned with NDP-I priorities?
- **DP4:** Did donor programmes tangibly / measurably contribute to achievement of NDP-I progress?

4.2.1 Donor priorities and alignment with the NDP-I

59. **The NDP-I projected economic growth to be driven by eight ‘primary growth sectors’ notably, agricultural development, forestry, tourism, mining, oil and gas, manufacturing, information and communications technology (ICT) and housing development.** It further identified the required improvement in complementary sectors of the economy, most notably energy, water, transport and financial services.
60. **It was observed that development assistance has continued to be closely aligned to the NDP-I as it has been implemented.** All development partners claimed that their strategies and programmes are aligned to the NDP-I and highlighted that their strategy documents emphasise the importance of the NDP in providing a framework for assistance. According to available data, the development assistance to Uganda is by large aligned to the NDP-I priorities. Overall, over the period of the NDP-I the development assistance went to priority sectors of NDP-I (see Section 4.1 and Figure 4). As illustrated in Section 4.1, the DPs preference was changed regarding modality (BS vs PS and off-budget).
61. **The 2011 survey of Uganda’s progress in implementing the Paris Declaration concluded that there was high degree of alignment of aid flows with national priorities,** although the indicator used in making this judgement did not capture off budget project support, for example provided directly to recipient NGOs or project implementers.¹⁰ The survey also observed good progress in the co-ordination of development partner technical assistance with national priorities and strategies. However, it can be argued that this perspective reflects the broad range of NDP-I objectives and priorities (“intertwining economic growth and poverty eradication”) that permits donors to claim alignment across a range of strategic approaches and activities.

¹⁰ As a proxy for alignment this Survey used an indicator that measured the percentage of aid disbursed by donors for the government sector that is included in the annual budget for the same fiscal year. In 2010 the estimate for this indicator was 96 per cent. The indicator takes no account of off budget financing.

62. The alignment of development assistance was linked to the broader aspects of NDP-I. **However, it was observed that not all development partners effectively aligned their country strategy papers to the NDP-I due to complex strategic framework of NDP.** The partner's sector categorisation was not linked to the sectors categorisation in the NDP-I.
63. **The off-budget support was not factored in to sector plans and not included in monitoring and evaluation frameworks, although such support may have reviewed in sector working group processes.** In most cases the partners use their own sector categorisation that was difficult to link to the government sectors. And in some cases, support cut across many sectors (multi-sector) which become difficult to discern the support to a particular sector. Hence, assessing the alignment of "off budget" resources to the NDP-I is a challenge.
64. **There were several development partners who adjusted their strategic planning cycle to align it with the NDP** (including the World Bank, and Africa Development Bank), however, most were constrained from doing so by existing arrangements and by internal institutional requirements. For example, The UK DFID prepared a new Country Plan in 2010 covering the Period 2010/11 - 2014/15, but this cycle was determined by the UK election patterns rather than the time-period of the NDP.
65. **Few development partners were able to indicate a long-term financial projection that better facilitates NDP programming.** Generally, there was some evidence that the allocation of support from development partners collectively reflected the NDP-I aim to broaden Uganda's development strategy from poverty reduction to structural transformation that increases growth and living standards. At sector level although combining both on budget and off budget support, the health sector has continued to be the largest recipient development assistance.
66. **The data available on the engagement of development partners at sector level shows that there are still more donors engaged in the social sectors than are engaged in infrastructure.** The development partners engaged in infrastructure have specifically aligned their support for investments that are identified as national core projects which are essential to "unlock binding constraints" to growth, focusing on those in irrigation, energy and road transport. Support from China Exim Bank helped to finance the Karuma and Bujagali hydro powers station and associated transmission lines projects. Finance from UKEF and Standard Chartered Bank has been secured to finance the construction of Kabaale Airport in Hoima. Funds from the AFD and KfW to finance the project has been secured to

finance Mbrarara-Masaka Transmission line. Funds from IDA secured to finance Gulu-Nebbi-Lira Transmission line; Secured lines of Credit from BADEA and IDB to recapitalize UDBL to mention but a few.

4.2.2 Mechanisms to Secure Development Partner Alignment with the NDP

67. The Government's effort to align development assistance to the national priorities pre-dates the NDP-I. **The SWGs continue to form the basis for sector coordination and is used to bring DPs around agreed sector objectives and policies, however improvements in effectiveness are needed.** See Section 4.1.3 for further details on SWGs.
68. Development partner participation in SWGs, and through the stages of the budget process, provides an **opportunity for development partners to engage in the design, implementation and monitoring of Sector Strategic Investment Plans** and the preparation of annual and medium-term budgets (including the public investment plan). These processes typically include a major sector review towards the end of each calendar year as the annual budget preparation process gets underway, and a preparation of an annual sector performance report at the same time. The latter feeds in to the Government's Annual Performance Report (GAPR) process which is overseen by OPM. Sector planning, budgeting and dialogue in turn gives government scope to influence the way in which donor resources (both on and off budget) support the implementation of the priorities set out in sector plans.
69. However, **there are concern about variation in the quality of discussion in SWGs** and a sense that technical discussions in recent years of NDP-I may have been more productive than higher level policy dialogue (including in annual reviews). It was noted that the quality of dialogue on the budget deteriorated significantly in 2010/11, especially in the run up to national elections. DPs (as well as civil society) were not invited to participate in the national budget workshop for the 2011/12 budget that took place in March 2011. On the issue of aligning discussions in SWGs with NDP priorities, DPs observed during interviews that while the MoFPED consistently attends SWG meetings, the NPA participation has been inconsistent and weak, possibly arising from the failure of the NDP-I to restructure the SWGs.
70. To strengthen coordination on alignment to national priorities and financing issues, it envisaged under the Partnership Policy, to sign Memorandum of Understanding between the Government and DPs in respect to implementing the covenants in the Policy. **A**

Memorandum of Understanding was intended to formalise the coordination mechanisms for the policy, however, this did not materialise.

71. **The GAPR process¹¹, has become the major vehicle assessment of Government's performance and the results of public spending.** The review focuses on what has been achieved against what was planned and what difference this has made in terms of improvements in public service delivery, governance and security for the citizens of Uganda. Besides using the guiding framework of the NDP, the report uses the sector structure of financing and organisation to assess each Ministry, Department and Agency (MDA) and Local Governments (LGs).

4.2.3 Development partners' contribution to NDP progress

72. The impact of poor aid information flows and unpredictability in disbursement influence on macro-fiscal planning.
73. **Donor funded technical assistance has helped underpin the development of capacity that is essential for effective NDP-I implementation.** Important successes include: FINMAP programme; support provided in the justice, law and order sector; support provided to OPM. The FINMAP programme supports improvements in the public financial management (PFM) systems. The support that is being provided in the justice, law and order sector which overall has secured major improvements in access to justice and more specifically supported major reforms on issues central to economic development such as the enforcement of contracts and the settlement of commercial disputes. The support that has been provided to establish strong capacity in OPM to manage the monitoring and evaluation of government performance.
74. **Development partner support has helped underpin the progress that has been made in implementing the NDP-I national core projects.** Support from AfDB, Japan and the IFC helped to finance the Bujugali hydro-power project. Finance from China helped to finance Isimba and Karuma Hydro power stations and associated transmission lines that will help to increase the energy supply in the country. Finance from AfDB has been secured to rehabilitate the Doho, Agoro, and Mubuku rice irrigation schemes and AfDB finance is in

¹¹ The GAPR reviews the performance of Government during the previous and current financial year; it assesses progress against the Governments commitments made in the NDP, Budget Speech and Ministerial Policy Statements for the financial year. The report looks at performance of Government against the following; The NDP, Performance of the Economy, Development Partners and Overseas Development Aid (ODA), Performance on Implementation of Manifesto, Results at Sector Level, and Results on Districts Local Governments.

place to complete the rehabilitation of the Olweny swamp rice irrigation project. Japan has supported the pre-feasibility study for the Ayago hydro- electric power project.

75. The Development partners have helped underpin the progress in the sectors as well:

- DPs participation in the health SWG, as well as “off budget” and “on budget” support have been directly associated with improvements under the NDP-I in increasing the proportion of deliveries that take place in health facilities, increasing child immunisation, increasing the proportion of health facilities without drug stock outs and increasing the number of couple years of protection through contraception programmes.
- In education, DPs’ engagement in SWG processes has re-enforced the sector performance indicators focusing on improving education quality. A few donors, such as the AfDB have increased their support for vocational training and skills development in line with NDP-I objectives.
- DP support in the roads sector, especially from the World Bank, European Union, AfDB and Japan has helped secure recent improvements in the proportion of both paved roads and unpaved roads that are in fair to good condition.

4.3 Harmonisation, Transaction Costs and Mutual Accountability

76. This section covering the extent to which the NDP-I has provided a framework for improved harmonisation and reduced transaction costs in dealing with DP, as well as the extent to which the NDP-I has provided a basis for mutual accountability between government and DPs.

77. The Section answers the following questions:

- **DP5:** To what extent did NDP-I provide a framework for improved harmonisation and reduced transaction costs in dealing with different development partners?
- **DP6:** To what extent did the NDP-I provide a basis for mutual accountability between GoU and DPs.

4.3.1 Harmonisation and Transaction Costs

78. **The Partnership Policy has provisions on harmonisation and transaction costs, however, little has been achieved.** The Partnership Policy stated that Government together with DPs shall coordinate the implementation of policy through existing policy-making structures and processes, to minimise additional transaction costs and maximise alignment

with the NDP. It further indicated that Government and DPs shall ensure that improved aid management results in lower transaction costs. Improved harmonisation between DPs would help reduce government's transaction costs. It was particularly expected that greater use of joint programme-based approaches in the provision of development assistance would be a basis for greater use of uniform disbursement and accountability rules, common indicators and reporting systems and more joint missions and analytical work. It was also hoped a better division of labour would reduce the number of individual donors operating in each sector, and agreement on key mechanisms such as a closed season on donor missions during the particularly busy time of budget preparations would further reduce the burden on government.

79. **The Development partners have continued to monitor the breadth of their individual engagement**, despite the commitment spelt out in the Partnership Policy and DPs' commitment to implement them. Over the period under review the momentum for rationalisation has not been maintained and in practice there has been substantial drift in the opposite direction.
80. **There was a better progress in the harmonisation of analytical work during the period under review**, but still only a half of analytical work was undertaken jointly. It has not been possible to enforce a closed season on the donor missions during key budget preparation missions as had been hoped.

4.3.2 Mutual accountability

81. **The NDP-I has not been able achieve its objective of putting in place a wider monitoring framework that** would for example more fully embrace DPs' commitments on aid effectiveness. No progress has been made on the NDP-I proposal to explore the possibility of introducing the type of DP accountability mechanisms being used in other countries such as independent monitoring by a local panel of experts.
82. **The NDP-I anticipated the establishment of new mechanisms through which there will be mutual assessment by government and development partners of the implementation of their commitments on aid.** These mechanisms were spelt out in the Partnership Policy. Mutual accountability required the Government and DPs to be accountable to one another in the use and management of development cooperation. The Government was expected to be transparent and accountable in the allocation and use of all financial resources towards the implementation of the NDP-I. The Government and DPs would therefore be individually

and collectively accountable for complying with the principles and commitments set out in the Policy.

83. It was envisaged under the Policy that The Government and DPs will: Define indicators of progress for the Government and individual DPs and set these out in a monitoring framework; Jointly review progress annually at PCC-DP meetings; Publish the results of these reviews and of the coordination meetings to increase accountability to stakeholders; and Conduct an independent evaluation of progress in implementing the policy every 3 years. **This was never done, there was no monitoring framework, results were never published, and independent evaluation not undertaken during the NDP-I period.**
84. **There was no clear mechanism for DPs or development assistance provider to account to Government**, whereas there was a mechanism on part of Government through the GAPR. The providers of development assistance operated without a means of control and accountability by Government, so fluctuations in development assistance flows, late of varied disbursements, over burdensome control and conditionalities have come with some negative consequences. While there was a ready tool for development assistance providers to sanction government if they wish to do so, like suspension of disbursements, there was no robust sanction the Government can apply to development partners.

4.4 Development Assistance from Non-Traditional Partners

85. This section examines Uganda's relationship with its non-traditional development partners. It describes the main features of the assistance that non-traditional partners provide and discusses the opportunities for using this assistance more effectively to support the NDP.
86. The Section answers the following question covering the scope for more effective collaboration with non-traditional partners:
- **DP9:** What was the scope of effective collaboration with non-traditional donors?

4.4.1 Trends in Support from Non-Traditional Sources

87. The importance of development assistance from Uganda's non-traditional DPs has increased steadily in last years of NDP-I, but amongst the group of emerging donors collectively known as the BRICKS¹² only China and South Korea have committed significant support.

¹² This group comprises Brazil, Russia, India China, Korea and South Africa.

The government’s data on aid flows indicated that government received from these sources is still less than 10 per cent of all development assistance. The table below provides details. In FY 2010/11 Government received US\$ 41.5 million from non-traditional DPs, this increased to US\$ 132.6 million in FY 2011/12, declined to US\$ 78.8 million. The decline in disbursements is attributed to delays in implementation of projects.

Table 1: Trends in Development Assistance from Non-Traditional Partners (US\$ million)

Dev. Partner	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
China	41.48	131.22	75.61	63.19	62.03
South Korea	-	1.40	4.18	1.05	6.28
Total	41.48	132.62	79.79	64.24	68.30

Source: MoFPED, 2018

88. The support provided by non-traditional partners, particularly China and South Korea, is in the form of project aid and is both on budget and off-budget.

4.4.2 Aid from Non-Traditional DPs and Alignment With The NDP

89. **Although project grants were managed outside Government systems (off-budget), they contributed to the implementation of NDP-I priorities.** Uganda received grant aid from China which was provided as resources in kind, either through technical assistance or “turnkey” construction of infrastructure like new office buildings and the Nelson Mandela sports stadium. The provision of health teams linked to the China- Uganda Friendship hospital in Kampala is an example of technical assistance extended to Uganda.

90. Across its programme China can claim significant alignment with the priorities set out in the NDP-I. The loans include key investments to support important infrastructure development, namely; the construction of the Kampala-Entebbe Express, the construction of the national IT backbone, Isimba Hydro power station, and Karuma Hydro power stations and associated transmission lines. These projects among the national core projects identified in the NDP-I as central to the achievement of its objectives.

4.4.3 Key aspects of the future development partnership with non-traditional DPs

91. **Uganda’s non- traditional DPs are expected to continue to grow in significance.** Assistance from China is predicted to increase above current levels. Although South Korea’s programme is likely to remain relatively modest, there are indications that other emerging development partners such as India may offer support in the future, for example for

investment in energy. The government has convened preliminary discussions with the EXIM Bank of India about the possibility of investing in the energy sector.

92. **There are aspects of the support received from non- traditional partners that make it particularly attractive to Uganda’s government.** Support from non-traditional partners, for example is less likely to be subject to conditions related to governance and human rights. There is also substantial scope to use non-traditional assistance to contribute very directly to NDP goals, for example because of a preference for financing infrastructure investments that may exploit non-traditional partners’ comparative advantages.
93. However, there are a **few aspects of support from non-traditional sources that require careful management** to secure its full advantages. The key points to note are: A high proportion of support from non-traditional sources is provided as loans rather than grants; A high proportion of assistance from non-traditional sources continues to be tied reducing its flexibility; non-traditional partners are not bound to the outcome of partnership fora. There is significant scope to **improve the transparency of assistance from non-traditional partners** in a way that can improve its integration with other sources of development finance.

5.0 Conclusions and Recommendations

94. This section makes recommendations that address the findings of development partnership theme of NDP-I and covers the ways in which development partnership can be strengthened so that efficient and effective implementation of the NDP-II is enhanced.

5.1 Uganda's Development Partnership

- (i) The Government of Uganda to demonstrate **stronger leadership** in managing the development cooperation and ensuring stronger engagement of DPs in NDP-II.
- (ii) **Better coordination among the DPs is needed**, to implement a division of labour exercise to address an inefficient spread of efforts and resources.
- (iii) **Close involvement of DPs in the preparation of the NDP-II** to ensure a strong understanding of government priorities and alignment of their resources. **DPs to be more closely engaged in its preparation** than they were in the preparation of the previous NDP.
- (iv) **The Partnership dialogue within National Partnership Forum (NPF)** to be more inclusive and effective throughout the entire cycle, as well as to make it more result oriented.
- (v) **Streamline Joint sector working groups (SWGs)** in line with NDP priority areas for SWGs to become a forum on strategic discussion on sector issues. Ensuring SWG processes work effectively to align “on budget” and “off budget” development assistance behind the NDP.

5.2 Development Partner Alignment

- (i) **The development assistance to be stronger aligned with national priorities.** The alignment should also consider local government priorities and budgets. The alignment to consider “off budget” resources as well. Better prioritisation of projects (approach and presentation – easy to understand by various stakeholders).
- (ii) To have a common framework for alignment of DPs' priorities to GoU/NDP priorities. There is a need for **structured consultation with DPs on priorities, aligned to the country's budget calendar.** DPs' planning cycle to be aligned with the GoU budget calendar. **The DPs to indicate a long-term financial envelope** that better facilitate NDP-II programming.

- (iii) The Government Annual Performance Review (**GAPR**) **to be more systematic** and potentially guide the NPF dialogue to make it more results-oriented and driven by national processes.
- (iv) To improve the **quality of budget consultations** (including on policy and prioritization of projects) at national and sectoral and local levels (this would also be way of strengthening mutual accountability). The sector strategic planning and the plans to be stronger linked to NDP priorities and need strengthening.
- (v) **To strengthen Public Investment management (PIM)**, and to ensure that all DPs (traditional and specifically non-traditional) are using **robust standards for project appraisals**. Reliable and comprehensive project appraisals are needed, including Social and Environmental Impact Assessments (SEIA).

5.3 Harmonisation, Transaction Costs and Mutual Accountability

- (i) **Stronger collaboration framework** between the Government and DPs to be in place. The Government and DPs to agree on the appropriate mode of collaboration and support. Strengthen the coordination function of the Government and DPs. Strengthen and monitor the implementation of the agreed actions of the National Partnerships Forum. To ensure effective arrangements for high level policy dialogue and mutual accountability are in place. To have stronger ownership and sustainability for all interventions, as well as to ensure cost sharing mechanism between DPs. To strengthen the platform where new DPs can join, as well as to build synergies among DPs to avoid duplication of services.
- (ii) **To strengthen mutual accountability through improved monitoring, joint programme reviews and reporting**, including for off-budget projects. The Budget Support to be encouraged. Better division of labour between DPs is needed, as well as harmonisation of DPs reporting. Increased demand from the GoU for accountability on NDP performance. Strengthen monitoring and reporting capacity of the government relating to development cooperation. The M&E capacity needs to be strengthened, including the capacity of executing agencies. Meanwhile, M&E is currently focused on outputs, rather on outcomes, which needs an improvement.
- (iii) More commitment from DPs to work towards **strengthening country systems** and to **increase use of country systems**. **Budget Calendar to specify the key NDP processes** and to include consultations with DPs (on programme reviews,

prioritisation, planning and medium-term commitments). Strengthen NDP prioritisation processes of the GoU, and harmonisation between NPA and MoFPED. This will include strengthening the role of NPA in designing developments plans for regions. **Budget calendar to have sector consultations as part of sector reviews (earlier in the year), multiyear commitments from DPs to be available at the beginning of the FY.**

- (iv) The Government to improve the reliability of public financial management, procurement systems and audit systems to firmly address donor concerns about putting resources through government channels, that includes on-budget, on treasury modalities. Existing reform efforts need to be accelerated and expanded to quickly close gaps. Government to follow on investigations and allegations of fraud and corruption.

5.4 Development Assistance from Non-Traditional Partners

- (i) **Stronger involvement of existing non-traditional partners in partnership forum and partnership platforms.** The Government and Uganda and DPs to work together to engage non-traditional development partners more effectively in sector working group processes to help co-ordinate their support within the NDP framework. There is scope for traditional and non-traditional partners to work much more closely together than at present (perhaps in arrangements where grant finance is blended with loan finance). To identify and strengthen outreach to the emerging ones.
- (ii) Scrutinise the appetite for non-concessional loans.
- (iii) To encourage mutual accountability and using country systems by non-traditional partners, i.e. less ‘tied’ aid, more development focus, rather than private (profit) gain, including contributing to the objectives of the country sustainability, capacity development, and strengthening country systems.

Annexes

Annex 1: References

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Annex 2: Data

Table 2: Total Development Assistance by Type (USD m)

Type	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
MTEF Budget Support Grant	158.96	158.01	19.97	24.15	39.47
MTEF Project Support Grant	208.98	253.55	305.16	210.55	228.03
NON-MTEF Project Support Grant	566.78	478.96	413.71	383.08	354.68
GRANTS	934.72	890.52	738.84	617.77	622.17
MTEF Budget Support loans	101.74	48.66	99.54	0.50	-
MTEF Project Support Loans	305.06	538.36	505.77	528.31	531.28
LOANS	406.80	587.02	605.32	528.81	531.28
TOTAL DA	1,341.52	1,477.55	1,344.15	1,146.58	1,153.46

Source: MoFPED, 2018

Table 3: Total Development Assistance (DA) by Development Partner (Budget Support+ MTEF and NON-MTEF Project)

Source- Development Partner	NDP1 PERIOD				
	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
Abu Dhabi	-	-	-	3.12	-
ACBF	1.08	0.36	0.03	-	-
AfDB	-	-	-	-	2.73
AfDF	125.27	170.71	144.27	130.25	111.48
African Union	62.76	63.19	74.93	75.43	67.81
Austria	12.73	10.66	12.84	22.93	16.48
BADEA	0.02	0.11	0.40	1.02	6.33
Belgium	14.61	6.60	3.51	9.79	3.44
Bill and Melinda Gates Foundation	-	-	1.06	0.44	-
China	41.48	131.22	75.61	63.19	62.02
COMESA	-	-	-	-	0.93
Denmark/DANIDA	30.29	32.96	25.01	35.05	36.52
Egypt	0.02	0.02	-	0.05	0.09
EIB	-	-	-	4.12	36.61
European Union	168.47	111.50	68.80	16.98	80.48
France	-	-	3.67	7.12	4.91
Germany	31.42	32.46	31.00	27.40	19.29
GAVI	-	-	1.37	-	2.69
GEF	1.01	1.62	2.07	1.07	2.33
Global Fund	4.39	42.58	131.96	7.18	12.19
Iceland	2.10	0.13	-	-	-
IBRD	0.14	-	-	-	-
IDA	259.03	290.10	336.68	287.40	240.81
IFAD	25.35	11.83	30.49	19.57	22.75
Ireland	39.77	49.98	19.54	20.56	19.33
IsDB	0.09	1.09	1.47	6.55	10.20
Italy	-	-	-	-	-

Source- Development Partner	NDP1 PERIOD				
	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
Japan	4.74	4.13	14.02	32.29	34.08
Kuwait Fund	-	-	-	1.85	1.08
Maternal Health Thematic Fund	0.15	-	-	-	-
Netherlands	32.70	-	-	-	-
NDF	5.02	4.53	4.42	0.46	0.97
Norway	34.49	94.05	18.30	52.02	28.38
OPEC	0.04	0.23	0.51	5.04	11.04
Saudi Fund	-	-	0.05	0.05	3.00
South Korea	-	1.40	4.18	1.05	6.28
Spain	-	7.55	-	-	-
Sweden	16.89	27.22	17.38	7.77	1.20
United Kingdom	97.75	74.92	15.98	14.95	1.68
United Nations	-	12.53	10.65	9.59	10.95
UNDP	17.89	13.95	15.48	3.03	13.68
UNOPS	-	-	0.65	-	3.66
UNFPA	1.92	4.25	7.19	7.19	7.07
UNICEF	41.60	27.72	46.23	45.78	44.57
USA incl. PEPFAR	213.38	247.95	224.40	225.40	226.40
WFP	55.00	-	-	-	-
TOTALS	1,341.60	1,477.55	1,344.15	1,145.70	1,153.46

Source: MoFPED, 2018

Table 4: Top Ten Development Partners - Percentage allocation of Total DA by Donor (Budget Support + MTEF and Non-MTEF Project)

Source- Development Partner	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	Total
IDA	19.3%	19.6%	25.0%	25.1%	20.9%	21.88%
USA incl. PEPFAR	15.9%	16.8%	16.7%	19.7%	19.6%	17.60%
AfDF/B	9.3%	11.6%	10.7%	11.4%	9.9%	10.60%
European Union	12.6%	7.5%	5.1%	1.5%	7.0%	6.90%
China	3.1%	8.9%	5.6%	5.5%	5.4%	5.78%
African Union	4.7%	4.3%	5.6%	6.6%	5.9%	5.32%
Norway	2.6%	6.4%	1.4%	4.5%	2.5%	3.52%
UNICEF	3.1%	1.9%	3.4%	4.0%	3.9%	3.19%
United Kingdom	7.3%	5.1%	1.2%	1.3%	0.1%	3.18%
Global Fund	0.3%	2.9%	9.8%	0.6%	1.1%	3.07%
OTHERS	21.8%	15.1%	15.4%	19.8%	23.8%	18.97%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.00%

Source: MoFPED, 2018

Table 5: Total Allocation of Development Assistance (MTEF & Non-MTEF) by sector (USD m)

Primary Sector	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
ACCOUNTABILITY	51.97	33.08	37.01	25.74	34.16
AGRICULTURE	97.12	65.14	65.25	37.44	26.47
BUDGET SUPPORT	260.70	206.67	119.91	24.86	40.56
EDUCATION	46.05	74.14	87.37	99.36	74.25
ENERGY AND MINERAL DEVELOPMENT	168.77	83.31	70.40	59.97	94.10
HEALTH	210.65	274.98	384.17	271.83	289.53
ICT AND NATIONAL GUIDANCE	29.19	1.18	-	12.33	0.10
JUSTICE LAW AND ORDER	17.49	33.58	37.41	17.20	23.03
LANDS, HOUSING AND URBAN DEVELOPMENT	-	-	2.14	27.70	23.41
PUBLIC ADMINISTRATION	1.00	0.70	0.08	0.09	-
PUBLIC SECTOR MANAGEMENT	102.38	219.77	125.47	121.61	93.85
SECURITY	69.09	75.73	85.57	85.03	78.76
SOCIAL DEVELOPMENT	17.21	109.83	50.03	55.87	27.45
TOURISM, TRADE AND INDUSTRY	7.06	1.93	2.65	5.59	2.66
WATER AND ENVIRONMENT	52.22	56.53	78.60	100.93	113.80
WORKS AND TRANSPORT	149.28	239.70	198.08	201.04	231.34
OTHER (OFF-BUDGET)	61.32	-	-	-	-
TOTAL	1,341.52	1,476.27	1,344.15	1,146.58	1,153.46

Source: MoFPED, 2018

Table 6: Percentage Allocation of Development Assistance (MTEF & Non-MTEF) by sector

Primary Sector	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	Average
ACCOUNTABILITY	3.9%	2.2%	2.8%	2.2%	3.0%	2.8%
AGRICULTURE	7.2%	4.4%	4.9%	3.3%	2.3%	4.4%
BUDGET SUPPORT	19.4%	14.0%	8.9%	2.2%	3.5%	9.6%
EDUCATION	3.4%	5.0%	6.5%	8.7%	6.4%	6.0%
ENERGY AND MINERAL DEVELOPMENT	12.6%	5.6%	5.2%	5.2%	8.2%	7.4%
HEALTH	15.7%	18.6%	28.6%	23.7%	25.1%	22.3%
ICT AND NATIONAL GUIDANCE	2.2%	0.1%	0.0%	1.1%	0.0%	0.7%
JUSTICE LAW AND ORDER	1.3%	2.3%	2.8%	1.5%	2.0%	2.0%
LANDS, HOUSING AND URBAN DEVELOPMENT	0.0%	0.0%	0.2%	2.4%	2.0%	0.9%
PUBLIC ADMINISTRATION	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%

PUBLIC SECTOR MANAGEMENT	7.6%	14.9%	9.3%	10.6%	8.1%	10.1%
SECURITY	5.2%	5.1%	6.4%	7.4%	6.8%	6.2%
SOCIAL DEVELOPMENT	1.3%	7.4%	3.7%	4.9%	2.4%	3.9%
TOURISM, TRADE AND INDUSTRY	0.5%	0.1%	0.2%	0.5%	0.2%	0.3%
WATER AND ENVIRONMENT	3.9%	3.8%	5.8%	8.8%	9.9%	6.4%
WORKS AND TRANSPORT	11.1%	16.2%	14.7%	17.5%	20.1%	15.9%
OTHER (OFF-BUDGET)	4.6%	0.0%	0.0%	0.0%	0.0%	0.9%

Source: MoFPED, 2018

Table 7: Total Allocation of Development Assistance MTEF by sector (USD m)

Primary Sector	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15
ACCOUNTABILITY	27.57	20.22	21.31	11.19	20.72
AGRICULTURE	33.88	14.31	48.91	27.02	16.79
BUDGET SUPPORT	260.70	206.67	119.91	24.86	40.56
EDUCATION	22.42	55.64	57.41	71.65	49.58
ENERGY AND MINERAL DEVELOPMENT	110.38	77.56	63.37	59.97	82.40
HEALTH	20.11	66.98	161.33	49.01	64.73
ICT AND NATIONAL GUIDANCE	29.19	1.18	-	12.21	-
JUSTICE LAW AND ORDER	2.14	4.87	9.69	0.06	4.62
LANDS, HOUSING AND URBAN DEVELOPMENT	-	-	2.14	27.70	23.41
PUBLIC ADMINISTRATION	1.00	0.20	0.08	0.09	-
PUBLIC SECTOR MANAGEMENT	62.82	199.32	111.48	114.08	87.94
SECURITY	62.76	75.73	85.57	85.03	78.76
SOCIAL DEVELOPMENT	-	1.66	0.09	-	-
TOURISM, TRADE AND INDUSTRY	1.12	0.63	-	3.70	2.51
WATER AND ENVIRONMENT	18.59	40.17	51.06	75.89	95.43
WORKS AND TRANSPORT	122.04	232.17	198.08	201.04	231.34
TOTALS	774.74	998.59	930.44	763.50	798.78

Source: MoFPED, 2018

Table 8: Percentage Allocation of Development Assistance MTEF by sector

Primary Sector	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	Average
ACCOUNTABILITY	3.6%	2.0%	2.3%	1.5%	2.6%	2.4%
AGRICULTURE	4.4%	1.4%	5.3%	3.5%	2.1%	3.3%
BUDGET SUPPORT	33.6%	20.7%	12.9%	3.3%	5.1%	15.1%
EDUCATION	2.9%	5.6%	6.2%	9.4%	6.2%	6.0%

ENERGY AND MINERAL DEVELOPMENT	14.2%	7.8%	6.8%	7.9%	10.3%	9.4%
HEALTH	2.6%	6.7%	17.3%	6.4%	8.1%	8.2%
ICT AND NATIONAL GUIDANCE	3.8%	0.1%	0.0%	1.6%	0.0%	1.1%
JUSTICE LAW AND ORDER	0.3%	0.5%	1.0%	0.0%	0.6%	0.5%
LANDS, HOUSING AND URBAN DEVELOPMENT	0.0%	0.0%	0.2%	3.6%	2.9%	1.4%
PUBLIC ADMINISTRATION	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
PUBLIC SECTOR MANAGEMENT	8.1%	20.0%	12.0%	14.9%	11.0%	13.2%
SECURITY	8.1%	7.6%	9.2%	11.1%	9.9%	9.2%
SOCIAL DEVELOPMENT	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
TOURISM, TRADE AND INDUSTRY	0.1%	0.1%	0.0%	0.5%	0.3%	0.2%
WATER AND ENVIRONMENT	2.4%	4.0%	5.5%	9.9%	11.9%	6.8%
WORKS AND TRANSPORT	15.8%	23.2%	21.3%	26.3%	29.0%	23.1%

Source: MoFPED, 2018

Table 9: Total Allocation of Development Assistance NON-MTEF (Off Budget) by sector (USD m)

SECTOR	FY2010/11	FY2011/12	FY2012/13	FY2013/14	FY2014/15
Accountability	24.40	12.87	15.70	14.55	13.45
Agriculture	63.24	50.83	16.34	10.42	9.68
Security	6.33	-	-	-	-
Health	190.54	208.00	222.83	222.82	224.79
Water & sanitation	33.63	16.36	27.54	25.04	18.37
Justice Law and Order incl. Governance	15.35	28.71	27.72	17.14	18.40
Social Development	17.21	108.17	49.94	55.87	27.45
Education	23.63	18.50	29.97	27.71	24.67
Public Sector Management	39.56	20.45	13.99	7.53	5.91
Public Administration		0.50	-	-	-
Roads, Works & Transport	27.24	7.54	-	-	-
ICT	-	-	-	0.12	0.10
Energy & Minerals	58.39	5.75	7.03	-	11.70
Trade and Tourism	5.94	1.29	2.65	1.89	0.15
Humanitarian	26.50	-	-	-	-
Private / Financial sector	26.19	-	-	-	-
Embassy/other	8.63	-	-	-	-
TOTAL	566.78	478.96	413.71	383.08	354.68

Source: MoFPED, 2018

Table 10: Percentage Allocation of Development Assistance NON-MTEF (Off Budget) by sector

SECTOR	FY2010/11	FY2011/12	FY2012/13	FY2013/14	FY2014/15	Average
Accountability	4.3%	2.7%	3.8%	3.8%	3.8%	3.7%
Agriculture	11.2%	10.6%	3.9%	2.7%	2.7%	6.2%
Security	1.1%	0.0%	0.0%	0.0%	0.0%	0.2%
Health	33.6%	43.4%	53.9%	58.2%	63.4%	50.5%
Water& sanitation	5.9%	3.4%	6.7%	6.5%	5.2%	5.5%
Justice Law and Order incl. Governance	2.7%	6.0%	6.7%	4.5%	5.2%	5.0%
Social Development	3.0%	22.6%	12.1%	14.6%	7.7%	12.0%
Education	4.2%	3.9%	7.2%	7.2%	7.0%	5.9%
Public Sector Management	7.0%	4.3%	3.4%	2.0%	1.7%	3.7%
Public Administration	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
Roads, Works & Transport	4.8%	1.6%	0.0%	0.0%	0.0%	1.3%
ICT	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Energy & Minerals	10.3%	1.2%	1.7%	0.0%	3.3%	3.3%
Trade and Tourism	1.0%	0.3%	0.6%	0.5%	0.0%	0.5%
Humanitarian	4.7%	0.0%	0.0%	0.0%	0.0%	0.9%
Private Sector / Financial sector	4.6%	0.0%	0.0%	0.0%	0.0%	0.9%
Embassy/other	1.5%	0.0%	0.0%	0.0%	0.0%	0.3%

Source: MoFPED, 2018

Table 11: A Comparison of Planned and Actual MTEF Development Assistance Aid by Sector (USD m)

Primary Sector	FY 2010/11		FY2011/12		FY2012/13		FY2013/14		FY 2014/15	
	Budget	Outturn	Budget	Outturn	Budget	Outturn	Budget	Outturn	Budget	Outturn
ACCOUNTABILITY	28.73	27.57	34.97	20.22	28.63	21.31	15.40	11.19	11.63	20.72
AGRICULTURE	31.58	33.88	47.40	14.31	27.11	48.91	22.70	27.02	47.74	16.88
BUDGET SUPPORT	223.75	260.70	220.79	206.67	208.64	119.91	19.42	24.86	25.66	40.56
EDUCATION	71.79	22.42	78.07	55.64	80.74	57.41	107.31	71.65	80.29	49.58
ENERGY AND MINERAL DEVELOPMENT	116.53	110.38	106.30	77.56	87.90	63.37	139.95	59.97	193.89	82.70
HEALTH	42.81	20.11	85.42	66.98	84.61	161.33	154.17	49.01	198.27	64.73
ICT AND NATIONAL GUIDANCE	-	29.19	-	1.18	-	-	-	12.21	-	-
JUSTICE LAW AND ORDER	2.85	2.14	0.58	4.87	0.95	9.69	0.78	0.06	0.09	4.62
LANDS, HOUSING AND URBAN DEVELOPMENT	-	-	0.64	1.27	0.55	2.14	1.00	27.70	24.63	23.41
PUBLIC ADMINISTRATION	-	1.00	-	0.20	-	0.08	-	0.09	-	-
PUBLIC SECTOR MANAGEMENT	75.86	62.82	111.69	199.32	85.86	111.48	102.57	114.08	101.27	87.94
SECURITY	52.53	62.76	56.28	75.73	94.00	85.57	91.02	85.03	94.25	78.76
SOCIAL DEVELOPMENT	1.13	-	0.93	1.66	12.03	0.09	-	-	-	-
TOURISM, TRADE AND INDUSTRY	3.51	1.12	2.39	0.63	2.64	-	1.10	3.70	1.12	2.51
WATER AND ENVIRONMENT	32.61	18.59	49.22	40.17	34.24	51.06	45.82	75.89	39.57	95.43
WORKS AND TRANSPORT	144.12	122.04	184.03	232.17	195.19	198.08	242.32	201.04	152.26	231.34
TOTAL	827.82	774.74	978.71	998.59	943.10	930.44	943.55	763.50	970.68	799.18

Source: MoFPED, 2018

Annex 3: Evaluation Questions

It was agreed as part of the inception report that the Development Partnerships thematic report will cover a range of review/evaluation questions. Further details on the areas of enquiry are contained in able below.

DP1	What were the trends in NDP-I in the amount and modalities of development partner resource allocation (traditional and non-traditional donors) to fund elements of the NDP-I?
DP2	To what extent did donor priorities change significantly in the course of NDP-I implementation and how well did DP strategies remain aligned to the NDP-I?
DP3	What mechanisms did GoU use to ensure that DP support was aligned with NDP-I priorities?
DP4	Did donor programmes tangibly / measurably contribute to achievement of NDP-I progress?
DP5	To what extent did NDP-I provide a framework for improved harmonisation and reduced transaction costs in dealing with different development partners?
DP6	To what extent did the NDP-I provide a basis for mutual accountability between GoU and DPs
DP7	How effective was GoU-donor partnerships in the course of NDP implementation?
DP8	How can GoU / DP relations be strengthened so that the efficient and effective implementation of the future NDP is enhanced?
DP9	What was the scope of effective collaboration with non-traditional donors?

Annex 4: Results of DP's Workshop

UGANDA DEVELOPMENT PARTNERSHIP WORKSHOP

A round table discussion with the joint Local Development Partner Group

Evaluation of Development Partnership Theme of the National Development Plan

12-Dec-2018

Results of group discussions.

TOPIC-1: Development Partnership Policy (covering Uganda Partnership Policy; Framework for the Partnership Dialogue; MOUs, Performance Framework; Global Partnership for Effective Development Co-operation (GPEDC); Nairobi Outcome Document; Vision 2040; etc ...).	
Strength or Positive Developments	Weaknesses or Negative Developments
NDP-I: FY 10/11-14/15 <ul style="list-style-type: none"> • Acknowledge need for partnership • South-south cooperation. • Private Sector engagement (42%). • Refugees inclusion (Compulsory Refugee Response Framework). 	NDP-I: FY 10/11-14/15 <ul style="list-style-type: none"> • Few weaknesses in development aid effectiveness (GPEDC), NESS • Delivering results not clear. • Not clear how to engage private sector and their (42%) contribution. • DPGs disconnected from GoU led processes.
NDP-II: FY 15/16-17/18 <ul style="list-style-type: none"> • Same as NDP-I. • Embedded early SDGs. 	NDP-II: FY 15/16-17/18 <ul style="list-style-type: none"> • Same as NDP-I. • Partnership Policy predated NDP-II. • Humanitarian-Development Divide: CRRF needs to be focused into NDP-III (complementary programme).
Recommendations for NDP-III <ul style="list-style-type: none"> • Harmonise partnership and Development Cooperation policies. To have one integrated policy. Policies to local level considerations. • Develop clear guidelines for private sector engagement. • Strengthen monitoring and reporting capacity of the government relating to development cooperation. • Strengthen NDP prioritisation processes of the GOU (including Human Capacity Development theme of NDP), and harmonisation between NDA and MoFPED. • CRRF to be folded into NDP-III. Closing humanitarian-development divide (complementary programme). 	

TOPIC-2: Institutional Framework	
(covering LDPG; National Partnership Forum (NPF); Partnership Task Force; OPM; MoFPED; NPA; SWG; SWAP; cooperation platforms; donor coordination matrix; etc ...)	
Strength or Positive Developments	Weaknesses or Negative Developments
NDP-I: FY 10/11-14/15 <ul style="list-style-type: none"> • ‘Door is open’ for ongoing dialogue. • Regular dialogue in place. Functional LDPG, NPF 	NDP-I: FY 10/11-14/15 <ul style="list-style-type: none"> • Development Partnership dialogue does not include all DPs. • DP division of labour not existing. • Not strong GoU leadership. Weak coordination. • SWGs, NPF requires streamlining.
NDP-II: FY 15/16-17/18 <ul style="list-style-type: none"> • <i>Same as NDP-I</i> 	NDP-II: FY 15/16-17/18 <ul style="list-style-type: none"> • Effective dialogue is challenged post Joint Budget Support era. • <i>Same as NDP-I</i>
Recommendations for NDP-III <ul style="list-style-type: none"> • Include refugee needs in refugee hosting districts (institutional aspects) • Stronger government leadership and coordination (one entity). • Reactive and streamline SWGs in line with NDP-III priority areas. • More effective dialogue (which is inclusive and effective throughout the entire cycle). 	

TOPIC-3: Trends in the development partnership	
(covering Trends in the volume and direction of aid; Budget Support; JBSF; Project Support; off-budget; Sector aid; global trends; non-traditional DPs; loans vs grants; debts; etc...)	
Strength or Positive Developments	Weaknesses or Negative Developments
NDP-I: FY 10/11-14/15 <ul style="list-style-type: none"> • More efficiency and equitable due to more direct budget support 	NDP-I: FY 10/11-14/15 <ul style="list-style-type: none"> • Less accountable • Creates islands of excellence.
NDP-II: FY 15/16-17/18 <ul style="list-style-type: none"> • Increased accountability due to increased project funding. • Sustainability 	NDP-II: FY 15/16-17/18 <ul style="list-style-type: none"> • Less efficiency and effectiveness • Increased indebtedness.
Recommendations for NDP-III <ul style="list-style-type: none"> • To identify other financing sources to address global declining ODA • Strengthen AMP to capture comprehensive data. 	

TOPIC - 4: Development partner alignment with the NDP

(covering NDP priorities; Vision 2040; DP's priorities; alignment; DPs contribution made to NDP results and priority projects, etc ...)

Strength or Positive Developments	Weaknesses or Negative Developments
NDP-I: FY 10/11-14/15 <ul style="list-style-type: none">• More budget support.	NDP-I: FY 10/11-14/15 <ul style="list-style-type: none">• Less aligned to global goals (NDP I & sectoral plans)• Poor aligned to SDGs• Less focus on system strengthening• More project funding• No system building
NDP-II: FY 15/16-17/18 <ul style="list-style-type: none">• Increased alignment to SDGs	NDP-II: FY 15/16-17/18 <ul style="list-style-type: none">•
Recommendations for NDP-III <ul style="list-style-type: none">• Alignment of Development Partners' priorities to GoU/NDP priorities.• To have a common framework for Alignment of DP's priorities to GoU/NDP priorities. Increased Development Partners' budget support (or other modality aligned to country), reduced off-budget support.• Increased demand by Development Partners, for accountability on NDP performance.	

TOPIC - 5: Harmonisation, reduced transaction costs and mutual accountability	
(covering: Using Country Systems (on-budget; on-treasury; on-procurement; on-audit); JBSF; joint programme-based approaches; donor coordination matrix; uniform disbursement and accountability rules; common indicators; reporting systems; joint missions; MEL; indicators of progress/performance framework; learning and knowledge sharing; development impact; analytical work; publication/sharing/transparency; etc ...)	
Strength or Positive Developments	Weaknesses or Negative Developments
<p>NDP-I: FY 10/11-14/15</p> <ul style="list-style-type: none"> • There was JBSF, with a lot of coordination, harmonisation and use of country systems. DPs were more involved in monitoring accountability because of the Joint Budget Support Framework (JBSF). • There was a Joint Accountability and Monitoring of Performance. • There were joint programme-based approaches. • There was a Joint Assessment Framework (JAF) – a common framework. • Through the JAF there was agreement among DPs on common principles for disbursement and accountability. 	<p>NDP-I: FY 10/11-14/15</p> <ul style="list-style-type: none"> • high level scandals • there were serious accountability and transparency issues that led to the demise of the JBSF. • Despite the existence of a JAF, the final disbursement decisions after the joint assessment were left to each individual donor in consultation with its HQ. • As a result, some commitments were not met.
<p>NDP-II: FY 15/16-17/18</p> <ul style="list-style-type: none"> • *Challenging to identify. 	<p>NDP-II: FY 15/16-17/18</p> <ul style="list-style-type: none"> • All the strengths in NDP turned into weaknesses in NDP II • Lack of JBSF and JAF • There is no JAF common framework • Challenge for GoU to hold DPs to account. • Coordination and planning framework at the sector. • Annual progress report was replaced by GAPR. • No joint programme-based approaches • No agreement among DPs on common principles for disbursement and accountability • The Government has been finding it hard to hold DPs to account as most funding is off budget. • No joint monitoring missions • Some of the DP working groups and coordination frameworks are dormant.
<p>Recommendations for NDP-III</p> <ul style="list-style-type: none"> • Collaboration framework, BS to be encouraged. • The Government and DPs should come back to the table and agree on the appropriate mode of collaboration and support • Strengthen, monitor and popularise the implementation of the agreed actions of the National Partnerships Forum • Strengthen the coordination function of the Government and DPs. This will include strengthening the role of NPA in designing developments plans for regions (PRDP, KIDP) etc. 	

TOPIC - 6: Non-traditional development partners

(covering: 'tied' aid; loans vs grants; private vs social gain; development impact; capacity/ownership development; Social and Environmental Impact Assessments (SEIA); alignment/ harmonisation/mutual accountability; etc ...)

Strength or Positive Developments	Weaknesses or Negative Developments
NDP-I: FY 10/11-14/15 <ul style="list-style-type: none">• ...	NDP-I: FY 10/11-14/15 <ul style="list-style-type: none">• Tied aid• More loans than grants
NDP-II: FY 15/16-17/18 <ul style="list-style-type: none">• ...	NDP-II: FY 15/16-17/18 <ul style="list-style-type: none">• Same as above
Recommendations for NDP-III <ul style="list-style-type: none">• Integrate known non-traditional partners and identify and strengthen outreach to the emerging ones.• Scrutinise the appetite for non-concessional loans.	