

**UGANDA:
Final Evaluation of
UNCDF's Local
Development Programme**

**Submitted to:
United Nations
Capital Development Fund**

***Final*
Evaluation Report**

October 2007

Prepared by:

Maple Place North
Woodmead Business Park
145 Western Service Road
Woodmead 2148

Tel: +2711 802 0015

Fax: +2711 802 1060

www.eciafrica.com



TABLE OF CONTENTS

1. PROJECT SUMMARY	1
2. PURPOSE OF THE EVALUATION	2
2.1 Objectives of the Evaluation	2
2.2 The Evaluation Context and Programme Cycle	2
3. EVALUATION METHODOLOGY	5
3.1 The Evaluation Team	5
3.2 Document Review before Field Visit	5
3.3 Interpretation of TOR	5
3.4 Work Plan and Logistics	5
3.5 Selection of the Districts	6
3.6 Individual Interviews at both National and Local Levels	6
3.7 Group Discussions at both National and Local Levels	7
3.8 Extensive Collection of Documents at Field Level	7
3.9 Feedback/Debriefing Sessions	7
3.10 Validation Workshop	7
3.11 Methodological/Logistical Issues	8
3.12 Organisation of the Report	8
4. PROGRAMME PROFILE	9
4.1 Understanding the context	9
4.2 Programme Summary	11
5. EVALUATION FINDINGS	15
5.1 Results Achievement	15
5.2 Sustainability of Results	41
5.3 Factors Affecting Successful Implementation & Results Achievement	44
5.4 Partnership and Strategic Positioning	49
5.5 Specific Contribution and Future Role of UNCDF	51
6. LESSONS LEARNED	54
6.1 Policy Lessons	54
6.2 Programme Level Lessons	55
7. RECOMMENDATIONS	57
7.1 Programme (General)	57
7.2 Component (Specific)	57
8. RESPONSE TO COMMENTS	ERROR! BOOKMARK NOT DEFINED.
8.1 EXECUTIVE SUMMARY	Error! Bookmark not defined.
8.2 EVALUATION REPORT	Error! Bookmark not defined.
9. REFERENCES	69

LIST OF TABLES

Table 1: Areas Selected and Number of People Interviewed	6
Table 2: Number of People who Participated in Village Planning Meetings in Magamaga Parish, Buwenge Sub-county, Jinja District in Financial Years 2003/4 and 2005/6	21
Table 3: Local Revenue Outturn in Ntungamo District between 2001 And 2006 (Figs in UGX)	26
Table 4: Trends in Local Revenue Sources and Yield for Lower Local Governments in Jinja District (20003 –2006)	28
Table 5: Trends in Local Revenue Projection and Actual Collection for Kabale District Local Governments (20003 –2006)	29
Table 6: Trends in Local Revenue Projection and Actual Collection for Sironko District Local Governments (20001 –2005)	30
Table 7: Comparison of Local Revenue Enhancement Results between Rural and Urban Local Governments (Ntungamo District and Ntungamo Town Council)	47

LIST OF FIGURES

Figure 1: Trends of Citizens' Participation in Development Planning: A Case of Magamaga Parish, Buwenge Sub-county Jinja District	21
Figure 2: Trends in realisation of Local Revenue over the Project Period- A Case of Lower Local Governments in Jinja District	29
Figure 3: Trends in Realisation of Local Revenue over the Project Period, a Case of Kabale District	30
Figure 4: Comparison between Local Revenues and Central Government Transfers during Project Time: A Case of Ntungamo District	31

LIST OF ANNEXES (ATTACHED SEPARATELY)

Annex 1: Terms of Reference	1
Annex 2: Evaluation Work Plan	1
Annex 3: List of Interviewees	1

LIST OF ACRONYMS

CAO	Chief Administrative Officer
CDOs	Community Development Organizations
CDPD	Community Development and Planning Department
CPPB	Coordinated Participatory Planning and Budgeting
DANIDA	Danish International Development Agency
DDG	Donor Decentralisation Group
DDPI	District Development Programme 1
DDPII	District Development Programme 2
DDPG	Decentralization Development Partner Group
DFID	Department for International Development
DPSF	Decentralisation Policy Strategic Framework
DPSF	Decentralization Sector Strategic Framework
DSWG	Decentralization Sector Working Group
ECI	ECIAfrica Consulting (Pty) Ltd
FDS	Fiscal Decentralisation Strategy
GoU	Government of Uganda
HLGs	Higher Local Governments
HPPGs	Harmonized Participatory Planning Guidelines
JARD	Joint Annual Review of Decentralization
JWDF	Japanese Women in Development Fund
LCCSS	Local Council Court Strengthening Strategy
LED	Local Economic Development
LGDP	Local Government Development Programme
LGFC	Local Government Finance Commission
LGISP	Local Government Sector Investment Plan
LLGS	Lower Local Governments
LRE	Local Revenue Enhancement
MoGLSD	Ministry of Gender, Labour and Social Development
MoLG	Ministry of Local Government
MoU	Memorandum of Understanding
MTEF	Mid-Term Evaluation Framework
NGOs	Non-Governmental Organizations
NGP	National Gender Policy
PCU	Programme Coordination Unit
PMU	Programme Management Unit
PPAs	Priority Programme Areas
PTC	Project Technical Committee
REC	Revenue Enhancement Component
TOR	Terms of Reference
TOTs	Training of Trainers
UJAS	Uganda Joint Assistance Strategy
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme

“The analysis and recommendations of this report do not necessarily reflect the view of the United Nations Capital Development Fund, its Executive Board or the United Nations Member States. This is an independent publication of UNCDF and reflects the views of its authors”

1. PROJECT SUMMARY

Country:	Uganda	
Programme Number:	UGA/01/C01	
Programme Title:	District Development Programme (DDPII)	
Executing Agency:	Ministry of Local Government/ Programme Coordination Unit	
Implementing Agencies:	Ministry of Local Government Ministry of Gender Labour and Social Development Local Government Finance Commission	
Programme Approval Date:	September 2002	
Programme Start Date:	October 2002	
Programme End Date:	June 2007	
Total Programme Cost:	Initial Programme Budget:	US\$3,620,000
	Revised Programme Budget:	US\$3,181,872
Financing Breakdown:		
	UNCDF	US\$2,140,953
	UNDP	US\$ 100,000
	DFID	US\$ 300,000
	DANIDA	US\$ 220,000
	AUSTRIA	US\$ 120,919
	JWDF	US\$ 300,000
Mid-term Evaluation Date:	August - September 2004	
Final Evaluation Date:	May - June 2007	

2. PURPOSE OF THE EVALUATION

2.1 Objectives of the Evaluation

Objectives of the evaluation are:

- To assist the Government of Uganda, especially the project executing agency (Ministry of Local Government), implementing agencies (Ministry of Gender, Labour and Social Development and the Local Government Finance Commission), the Local Governments, and the concerned co-financing partners (i.e. UNDP, DANIDA, DFID, Japanese Women in Development Fund, GoU, Austria), to understand:
 - the efficiency, effectiveness, relevance and impact of the programme,
 - the sustainability of programme results,
 - the level of satisfaction of programme stakeholders and beneficiaries with the results, and
 - whether UNCDF was effectively positioned and partnered to achieve maximum impact;
- To contribute to UNCDF and partners' learning from programme experience.
- To help programme stakeholders assess the value and opportunity for broader replication of the programme.
- To help programme stakeholders determine the need for follow-up on the intervention, and general direction for the future course.
- To ensure accountability for results to the programme's financial backers, stakeholders and beneficiaries.
- Comply with the requirement of the programme document/funding agreement and UNCDF Evaluation Policy.

The evaluation makes an effort to address each one of the objectives to the extent that the information available allows.

2.2 The Evaluation Context and Programme Cycle

This is a final evaluation of the District Development Programme 2 (DDPII). The three-year programme was established in 2002 as a continuation and enhancement of an earlier District Development Project (UNCDF: UG/95/C01/UNDP: UGA/97/008) commonly referred to as DDP1. Evaluations of DDPI (1998/1999) were generally positive. At the same time, the evaluations identified new challenges and issues. A concept paper was developed in July 2001 focusing the future direction of UNCDF in terms of support to the Government of Uganda in addressing some of the issues. DDPII widened the scope of DDP1 while taking into account lessons learned from the latter and the up scaling and replication of the latter to a National Local Government Development Programme (LGDP).

As stated above, this evaluation is part of the requirements for programme funding as agreed in the programme document. The timing of the evaluation has coincided with a number of developments taking place in the decentralization 'sector' in Uganda as well as the UN namely:

EVALUATION REPORT

- The Ministry of Local Government (MoLG) recently launched (Nov. 2006) the Decentralization Sector Strategic Framework (DPSF) during the Joint Annual Review of Decentralization (JARD). The DPSF provides a coherent framework for coordinating decentralized service delivery, covering the development interventions at regional and local government levels, government ministries, agencies and other development partners. It provides the basis for the Local Government Sector Investment Plan (LGSIP), which defines in concrete terms the totality of what it takes to implement Uganda's decentralization policy.(see section 4)
- The Local Government Sector Investment Plan (LGSIP1 2006-2016) also launched in November 2006 during the JARD forms the investment framework for all programmes and activities in the decentralization sector. Its primary objectives are to: Provide a single point of reference for mobilizing resources for implementation of the decentralization policy within the context of the MTEF, ensure that resources are channelled to core programmes and activities in line with the PEAP and ensure coordinated and effective delivery of services at local level.
- In connection with LGSIP, a Memorandum of understanding has been signed between the Government of Uganda and the Decentralization Development Partner Group for joint arrangements to support the implementation of the LGSIP.
- Decentralization Sector Working Group (DSWG) has been formed as an advisory group to provide stakeholders within the decentralization 'sector' a platform for consultation, coordination and sharing of ideas in order to lead to deeper commitment to the decentralization process by all involved. The DSWG works closely with Public Sector Management Working Group for strong Policy dialogue.
- Formulation of the successor programme to Local Government Development Programme (LGDPII). A concept paper has been developed by Ministry of Local Government with support from World Bank. Recommendations of the evaluation will provide a useful input since as a good practice LGDP has been up scaling results tested under DDPII.
- The donor division of labour exercise initiated by the Government to increase aid effectiveness and efficiency by reducing the transaction costs.
- Annual PEAP implementation review
- PRSC 6 Appraisal of the progress in the key reforms and agreed prior actions.

The evaluation is also in the right time bearing in mind the developments within the UN system and UNDP at country level:

- The UN High level panel Report which recommended on how the UN should 'deliver as one', establish one UN at country level, with one leader, one programme, one budget and where appropriate one office.
- Integration of UNCDF programmes within the UNDP MYFF/ Strategic Plan 2008-2011.
- Strong partnership with UNDP in terms of joint programming and resource mobilization.
- UNDP CO review of the CPAP 2006-2010.

The evaluation should make meaningful contributions to all these developments both within the

EVALUATION REPORT

country and the UN for improved governance and service delivery, in order to realise the goal of eradicating poverty and attaining the Millennium Development Goals.

The programme document required that there be an annual review of the DDPII for self-assessment/monitoring. It also required a mid term and final evaluation at the end of the programme. The annual reviews have taken place and have been participatory meetings of the Project Technical Committee and other partners to document the progress of the implementation and make recommendations. The Mid Term evaluation took place in 2004 and concluded that “most planned activities were in progress with varying degrees of effectiveness by component” (UGA/01/C01; p4) As stated above, this final evaluation has several objectives but the main one is to determine the extent to which the programme goals have been achieved, with a view to helping the stakeholders determine the general future direction.

3. EVALUATION METHODOLOGY

3.1 The Evaluation Team

The evaluation team consisted of three senior members. The team leader was Professor Njuguna Ng'ethe from the Institute for Development Studies, University of Nairobi, Kenya. Professor Ng'ethe is a specialist on decentralization and has previously done work in Uganda on various issues of decentralization. The other two team members were Dr May Sengendo and Mr George Kasumba both from Uganda. Dr Sengendo teaches at Makerere University in Uganda. She is a specialist on gender studies and has consulted widely for the Uganda Government and many international organizations. Mr George Kasumba is a senior private consultant and a former civil servant in Uganda. He is a specialist on local government planning, fiscal decentralization and has consulted widely. He is at one of the private universities in Uganda. The team worked together very well.

3.2 Document Review before Field Visit

Each of the team members was allocated a number of days prior to the commencement of the field work phase of the project for the purpose of reviewing documents. This was necessary given the voluminous documents that the ECI sent to the evaluation team prior to and during the evaluation. In addition, more documents were availed to the team on arrival in Uganda. Overall the pre-mission documents were a bit too many. The Evaluation Manual, in particular, was a bit overwhelming.

3.3 Interpretation of TOR

The team had not met prior to embarking on field work. The team, therefore, spent some time together studying and evaluating the TORs. This was done in the first two days (see annexed programme). In the end the team agreed that the detailed questions listed in the Evaluation Manual were too many, would take months to administer as individual questions and would, in the end, confuse the interviewees. The team, therefore, agreed to reduce the questions to several programme themes, namely; management and coordination, outputs/achievements, challenges, and sustainability. The team further agreed that the field work would put emphasis on gathering tangible evidence to support views advanced by the interviewees. Accordingly, the team developed key open-ended questions around the themes and agreed to probe for relevant details during the interviews. The questions would guide both individual and group discussions. In all the team members agreed with the major thrusts of the TORs. The logical framework was evaluated against evidence from the field and the results are reported in the report.

3.4 Work Plan and Logistics

Quite a number of changes were made to the Work Plan originally suggested in the TORs. A few more days were added for work in the capital city, Kampala, prior to district visits and a few more days were also added for additional work in Kampala after the district field work. The changes were necessitated by the pace at which interviews were becoming available, the need for preliminary data analysis before the validation workshop and debriefing meetings that were not originally provided for in the original Work Plan. The detailed Work Plan was developed in the first two days during which the team also consulted on which districts to visit. The consultations were between

EVALUATION REPORT

the UNDP/UNCDF team in Uganda, the Ministry of Local Government (see annexed Work Plan). A letter of introduction to the districts was also discussed with the Ministry of Local Government undertaking to prepare the letter and subsequent invitation letters for debriefing and feedback/validation meetings. Overall, the plan called for work to commence in the capital city, Kampala, and then proceed to the nearer two districts, Jinja and Kayunga in the east (about 75 kms or 1 and a half hours drive each from Kampala) before going to the further districts that required overnight stays. These were: Sironko in the east near the Kenyan border, (270kms or five hrs drive) Arua in the North West (630 kms or one and a half hrs by air in a small plane!), Kabale (530 kms by road or about 8hrs drive) and Ntungamo (450kms by road or six and a half hrs drive on the way to Kabale). The team also agreed to split for the visits to Sironko/ Arua and the visits to Kabale/ Ntungamo. Air tickets were provided by the Ministry of Local Government. The UNDP/UNCDF provided ground transport and a driver for the evaluation team.

3.5 Selection of the Districts

Given time and resource constraints, the study did not include all the ten DDPII districts. Six districts (table 1) were selected using the following criteria: Regional balance; guidelines from UNCDF (TOR); objective consideration according to a baseline survey report (Local Revenue Enhancement); and advice from the Ministry of Local Government. Originally the team had planned to visit four districts but persuaded itself to also visit Sironko and Ntungamo. Four of the six districts had all the programme components while Sironko and Ntungamo had only the revenue component. The baseline assessment of revenue performance had rated Sironko the worst while Ntungamo had been rated as average. The two had later been rated as among the best performers and we wanted to know why they had improved their performance so dramatically. In the two districts we also examined participatory planning and gender, this time outside DDPII.

Table 1: Areas Selected and Number of People Interviewed

Administrative Units	KAYUNGA	JINJA	SIRONKO	ARUA	NTUNGAMO	KABALE
DISTRICT	24	8	18	17	16	14
SUB-COUNTRY	2	1	4	1	3	4
VILLAGE/PARISH	8	-	-	19	-	-
TOTAL	34	9	22	33	19	18

Source: Own Field Survey

3.6 Individual Interviews at both National and Local Levels

At both national and local levels, the team conducted interviews with key informants. At the national level, the most important key informants were Uganda government officials, particularly those from the implementing ministries, and representatives from funding agencies. These were interviewed during the first days of field work, prior to going to the districts. Typically, the interviews would last about two hours but due to traffic problems in Kampala, it was difficult to conduct more than three interviews per day. At the local levels, individual interviews were conducted with key informants, including the Chief Administrative Officer (CAO) in each district. These district administrative heads were the first district officials the team would call on, not only for protocol reasons, but also because they are very well informed on the overall situations in their districts. Other key informants in the districts included, a number of county chairmen- the elected heads of district governments- department heads under which the four programme components fall, chiefs

EVALUATION REPORT

and department heads at the sub-county level, and assistant chiefs.(see annexed list of interviewees).

At the lower local government levels, the district level official accompanying the team was excluded from the interviews in order to allow for freer discussion about the district level management of the programme. In most of the cases, the team interviewed together. The exceptions were those occasions when the team was forced to split due to time constraints. The advantage of interviewing together was that the team was able to form a collective opinion of the issues under discussion.

3.7 Group Discussions at both National and Local Levels

Group discussions were held at both the national and the local levels. At the national level, discussions were held with the Local Government Finance Commission as a team prior to departure for the districts. The Commission had prepared a useful written submission for the evaluation team. Also at the national level, the evaluation team met some members of the Donor Decentralisation Group as a group. At the local levels, the team met leaders at the village level as groups. The local level meetings tended to be rather long, usually lasting between 3 and 5 hrs. Again the district official and any official from the next level of local government who might have accompanied the team were excluded from the meetings. Unfortunately, due to time constraints, the team was not able to hold discussions with as many groups, at this level, as it would have wished (see annexed list of interviewees).

3.8 Extensive Collection of Documents at Field Level

In all the meetings, the team sought for documented evidence of the views being presented. Fortunately the programme has yielded many documents nearly all of which were readily available.

3.9 Feedback/Debriefing Sessions

The TORs called for district level debriefing meetings in each district. This was done in five of the six districts, with the meetings being attended by the entire district technical teams. The sessions usually lasted about two and a half hours during which the evaluation team presented the major findings and also sought new information especially on the sticky issue of inter-departmental synergies. The sessions were well attended and the discussions were very candid. In all, the sessions proved most useful, especially in assessing the overall context of the programme in the district. At the national level, two debriefing sessions each lasting just over two hrs, were held after the field visits, one for the ministry of local government and the other one for the UNDP/UNCDF. They also proved very useful in preparing these key players for the validation workshop which followed a few days later.

3.10 Validation Workshop

The generic evaluation method called for a validation workshop at the end of the field work. This was held and in many ways proved to be the highlight of the evaluation. It was very well attended by national officials, especially from the ministry of local government and district officials. (See annexed attendance list of participants). The workshop was opened by the UNDP Deputy Resident Representative and co-chaired by a UNDP official and a District Executive Officer. The team made a power point presentation with each team member taking part in the presentation. The exchange of views was extremely lively, perhaps due to the fact that at the end of each programme

component presentation, a list of issues for discussions was suggested. (See annex of the power point presentation)

3.11 Methodological/Logistical Issues

Several methodological/logistical issues were encountered in the field. One, the team was not able to visit as many lower local governments as had been anticipated. This was because the days allocated to field work only allowed the team to spend a maximum of two days in each district, sometimes including travel time. (See annexed work plan) Thus though the team was able to visit one sub- county in each district, it was only able to visit only two parishes/village where it held group discussions with government members at that level. Two, only in one case did the team have to use an interpreter. Language, therefore, was not a major issue as English is widely spoken in Uganda, at least to the sub-county level. Three, though in general data was well kept, this was not always the case at the sub-county level and below. The exception was one district- Kabale- where data is well kept all the way to the village level. Four, in Arua where the team had travelled by air and, therefore had no ground transport of its own, the team had to fuel the transport vehicle provided by the district. Five, managing travel time proved to be a major challenge considering that some of the districts were several hundred kilometres from the capital city, Kampala, and could only be reached by road. The team had to travel the whole day on a Sunday to Kabale and Ntungamo even though the contracts did not provide for work on Sundays. In all, the Work Plan was too tight.

3.12 Organisation of the Report

The evaluation is one of seven evaluations of UNCDF programmes in different countries of the world. All the evaluations reports are organised following a prescribed common format in order to facilitate comparability and synthesising of the findings. This report is, therefore, presented in seven sections as prescribed in the common format. The bulk of the report is in section 5 which covers the evaluation of the programme component by component.

4. PROGRAMME PROFILE

4.1 Understanding the context

4.1.1 Decentralisation Policy in Uganda

Since 1992, Uganda has been implementing the decentralization policy. The policy seeks to give the power for decision making, service delivery and functional responsibilities to elected local governments. The decentralisation provisions were incorporated into the 1995 Constitution of the Republic of Uganda as well as the Local Governments Act, 1997. The policy was more recently re-stated and elaborated in the 2006 Decentralisation Policy Strategic Framework (DPSF).

The goals and objectives of the decentralization framework include:

- The transfer of real power to Local Governments and thus reduce the workload of remote under-resources central officials;
- Bringing political and administrative control over services to the point where they are actually delivered, and thereby improve accountability and effectiveness, and promoting people's feeling of "ownership" of programmes and projects executed in their local governments;
- Freeing local managers from central government constraints and enable them to develop effective and sustainable organizational structures that are tailored to local circumstances;
- Improving financial accountability and responsibility by establishing a clear link between payment of taxes and provision of services;
- Improving the capacity of local authorities to plan, finance and manage the delivery of service; and
- Promoting local economic development in order to enhance people's incomes.

The 2006 Decentralisation Framework seeks to guide Government and other stakeholders on how to consolidate and deepen the decentralization policy in Uganda. The DPSF also seeks to reinforce inter-linkages among members of the Local government "family". This group includes the Ministry of Local Government, Local governments, central line ministries, the Local Government Finance Commission (LGFC), Local Government associations, government agencies, and development partners, Non governmental organizations (NGOs) as well as Community Development Organizations (CDOs). The initial decentralisation policy had not emphasized local economic development (LED) but experience has shown that this is one of the main routes to sustainable development. Therefore, the 2006 Decentralization Framework seeks to correct this initial under-emphasis.

The three key areas of decentralisation are political, administrative and fiscal.

- *Political decentralization* allows citizens to elect their own regional and local governments and participate in their governance by determining their own development priorities, making and approving their own development plans.
- *Administrative decentralization* allows regional and local governments to appoint approved

statutory bodies; make ordinances and bye-laws; hire, manage and discipline personnel; manage their own payroll; and implement approved development plans.

- *Fiscal decentralization* allows regional and local governments to develop, approve and execute their own budgets; raise and utilize resources according to their own priorities in line with legal provisions; and utilize conditional, unconditional, equalization or any other grants from the centre in line with central government guidelines and local priorities. Central government, on the other hand, will focus its energies on matters pertaining to policy, financing, planning, coordination and oversight.

The primary instruments through which the policy is being implemented are political, administrative and fiscal decentralization. The policy recognises that decentralization through these instruments as well as ensuring proper functioning of the DPSF requires proper planning and investments. It is in this context that the Local Government Sector Investment Plan (LGSIP 2006-2016) was developed and launched in 2006. The DPSF and LGSIP are, therefore, linked. The DPSF integrates all the multiple development interventions of the decentralisation sector in ways that enable a more coordinated approach to service delivery and poverty reduction. This is enhanced by the LGSIP which provides an elaborate framework for “(a) prioritising among competing programmes and activities (b) determining the actual cost of running the decentralisation programme, and (c) providing a rational basis for the volume and levels of central government transfers.

The six key strategic areas of investment as indicated in the LGSIP include; (i) Local service delivery, (ii) Political decentralization, (iii) Administrative decentralization, (iv) Fiscal decentralization, (v) Good governance and (vi) Local economic development.

The LGSIP takes into account the various factors that affect the implementation of the decentralisation policy, which include the constrained resource envelope. With this in mind, and as stated earlier, a Memorandum of Understanding has been signed between the Government of Uganda and the Decentralization Development Partner Group for joint arrangements to support the implementation of the LGSIP.

4.1.2 Institutional Environment with Relevance to the UNCDF Programme

The DDPII was undertaken in a partnership structure between the government, development partners and UNCDF. The programme objectives were, therefore arrived through an agreement of the partners. The DDPII has been implemented through a Project Steering Committee¹, Project Technical Committee, and the Programme Coordination Unit under the overall oversight of the Ministry of Local Government- the Local Government Finance Commission- and the Ministry of Gender Labour and Social Development. The Donor Decentralisation Group has also played a role, albeit an indirect one, in the implementation of the programme. The UNCDF is a member of

¹ The Steering Committee is composed of the Permanent Secretaries of Ministry of Local Government, Ministry of Finance Planning & Economic Development and that of Ministry of Gender, Labour and Social Development. The PCU works as the Secretariat.

EVALUATION REPORT

this donor sub-group. The Group provides advice as well as technical support to strategic initiatives (see 4.2.1). The LGSIP is one such initiative, within which the Group has agreed to provide support to decentralization in future. The partnership principles that are provided for through the Paris Declaration on Aid effectiveness as well as the Uganda Joint Assistance Strategy (UJAS), also present entry point for financial and technical support. Such financial and institutional arrangements enable the DDPG as well as the government of Uganda to be committed to harmonized assistance that will support the LGSIP interventions.

The LGSIP is to be financed through the following sources:

- i. The Government of Uganda Budget for MoLG and LGFC: Funding to central GoU institutions under the mainstream domestic budget.
- ii. Central Government Transfers: The funds to support the DPSF and the Local Government Sector Investment Plans shall be remitted directly from the Centre to the Local Governments for planned activities. Central Government will continue funding through conditional, unconditional and equalization grants. The utilization of these funds shall be through approved annual expenditure plans and activities. This will include notionally earmarked sector budget support from development partners.
- iii. Donor Support: Development partners will be approached to provide support under the LGSIP “basket”, bilateral and project funding as shall be agreed through dialogue with the DSWG.
- iv. Local Revenue: Local Governments are mandated to raise local revenues for financing their expenditure. The local resources can be allocated to support activities under the DPSF and LGSIP.
- v. To date, most of the members of the Decentralization Development Partners Group (DDPG) are in agreement to provide further support to the ‘sector’ within the context of the LGSIP and in accordance with partnership principles enshrined in the Paris Declaration on Aid effectiveness and the Uganda Joint Assistance Strategy (UJAS). As states earlier, the DDPG and GoU represented by MoLG have signed an MoU to show commitment for harmonized assistance and alignment of interventions with the LGSIP.
- vi. All the parties recognize that over the next three to four years, there are members of the DDPG that are bound to specific operational rules and regulations, mandates as well as ongoing commitments but would work in a pro-active manner to increase harmonization with time. In this respect, some practical funding modalities to the LGSIP have been proposed by the DDPG which at the moment include project and basket funding. The budget support modality will come later. It is expected that DDPG under the project funding arrangement will re-align their interventions with the LGSIP and gradually transform to basket modality. And those under basket funding will gradually move into budget support. Any new projects under this modality are expected to have a national focus. In the case of pilots, they should have the potential for national up-scaling.
- vii. Basket financing modality has been agreed upon by five Development Partners (i.e. Austria, Belgium, Denmark/DANIDA, Ireland/DCI and Netherlands/RNE).

4.2 Programme Summary

4.2.1 Programme Intervention, Strategy and Hypothesis

Since 1985, UNCDF has been working actively in Uganda. The strategy used has evolved from project-driven infrastructure delivery (for DDPI) to institutional development and policy impact as well as local development model (for DDPII). Between 1985 and 1996, UNCDF concentrated on providing technical support and grant financing/investments for various government programmes through activities in infrastructure development, rehabilitation and maintenance. A change was made in 1997 and 2001, when UNCDF support was extended to the decentralization. This focused on the process of establishing comprehensive administrative systems and procedures. This was the period when the District Development Programme (DDPI) was undertaken as a pilot project. That time, DDPI was operational in six districts namely: Kabale in Western Uganda, Mukono and Kayunga in the central, Arua and Yumbe in the North and Jinja in the Eastern Uganda). The successful piloting of DDPI enabled replication of results national-wide through the Local Government Development Programme (LGDP). Replication was undertaken by the Ministry of Local Government and was jointly funded by the World Bank, DANIDA, Royal Netherlands Embassy, Development Corporation Ireland, DFID and Austria.

Achievements made from DDPI included:

- The introduction of systems for improved planning at the local government level;
- Financing and delivery of basic infrastructure and services;
- Policy impact and support to current policies;
- Replication and interest and support from other donors, especially under the Local Government Development Programme (LGDP);
- Capacity building among project stakeholders; and
- Support to the Ministry of Local Government for a decentralized planning and service provision process.

The development of DDPII was within the context of the operation of Local Government Development Programme (LGDP) and in response to decentralization challenges that had come up at that time. The challenges that were observed at the period of project formulation included:

- Limited inclusive participation at the lower local government and community levels.
- Declining local revenue as resources for sustainable service delivery
- Lack of gender mainstreaming even with policies and pronouncements which supported GM
- Lack of fully functioning local council courts which were considered as the key institution for community participation in decision making and Decentralization.

The partnership between UNCDF and the Ministry of Local Government enabled DDPII to undertake activities addressing these challenges in ways that would enable refinement, deepening

EVALUATION REPORT

and consolidation of the implementation of decentralization policy. DDPII “*was designed to operate within the context of the National Poverty Eradication Action Plan, which includes, among others, the creation of an enabling environment for economic growth; ensuring good governance and security; and directly improving the quality of life for the poor*”. The National Poverty Eradication Plan (PEAP) has four pillars namely:

- Creating an environment of economic growth and transformation;
- Ensuring good governance and security;
- Directly increasing the ability of the poor to raise their incomes; and
- Directly improving the quality of life for the poor.

The major underlying assumption of the programme was that “the causes and effects of poverty are influenced by participation in decision making and control and equitable distribution of resources” (UGA/01/c01; p2). The immediate objective of the programme was, therefore, “equitable and sustainable access to socio-economic infrastructure and public services improved through high quality of local governance and practiced by Higher Local Governments and Lower Local Governments”.(UGA/01/C01;p2). It is in this context, that the four programme components of: coordinated participatory planning and budgeting; local revenue enhancement; strengthening the administration of local council courts; and gender mainstreaming were chosen.

Building on the overall assumption of the programme, the hypothesis of the programme was, therefore, that decentralization can facilitate poverty eradication. Furthermore, persistence of poverty is linked to institutional weaknesses, particularly participatory and governance institutions. Poverty eradication can, therefore, be addressed through, among others, institutional capacity development within decentralization.

As it was in the DDPI, the main target beneficiaries have remained as the respective District Councils in line with their Sub-county Local Governments. The Ministry of Local Government, though a higher-level beneficiary in terms of institutional capacity development, has remained as the executing Ministry. However, PMU – that’s the Programme Management Unit which implemented the DDPI on behalf of the Ministry of Local Government, has seen its role change in the context of mainstreaming activities to the line ministries. This change has culminated into change of name to Programme Coordination Unit (PCU), consequently taking up the role of an execution agency for the Ministry and hence, handing over the implementation responsibilities to line ministries and departments.

Following the setting up of the DDPII, the following line Ministries and Departments have been the key implementing agencies:

- The Policy and Planning Unit of the Ministry of LG for Component 1 – Coordinated Participatory Planning.
- The Local Government Finance Commission for Component 2 – Local Revenue Enhancement
- Ministry of Gender, Labour and Social Development for Component 3 - Gender Mainstreaming.
- The Directorate of Local Council Development in the Ministry of Local Government for

Component 4 – Strengthening Administration of Local Justice.

For purposes of technical direction and guidance to the implementation departments/ministries, the Project Technical Committee (PTC) has been retained but mainstreamed into the larger Local Government Development Programme (LGDP). Because of the amalgamation of the PTC, District participation in the PTC meetings has had to be re-adjusted to fit the quarterly and regional rotational sittings.

At the policy coordination level, the DDPII Policy Steering Committee (PSC) has remained the Permanent Secretaries of the Ministry of Local Government, Ministry of Finance Planning & Economic Development and that of Ministry of Gender, Labour and Social Development. In these two paramount committees, PCU has remained as the Secretariat.

4.2.2 Scope, Location and Intended Results

The programme document and TOR indicate that DDPII had the immediate objective of ensuring “equitable and sustainable access to socio-economic infrastructure and public services improved through high quality of local governance”, namely the higher (Districts) and lower (Sub-counties). UNCDF agreed to support the Government of Uganda mainly due to the consideration that strong local governance frameworks, institutions and operations are prerequisites for poverty eradication. The DDPII was funded and operated within four components (sub-projects): These are:

Component 1: Coordinated Participatory Planning and Budgeting with an objective to strengthen a coordinated participatory planning and budgeting mechanisms for Local governments and lower Local Councils.

Component 2: Local Revenue Enhancement with an objective to improve the mobilization and generation of sustainable local revenue through enhanced capacity of Local Governments and their supporting institutions.

Component 3: Gender Mainstreaming with an objective to promote equitable participation of women and men in shaping development directions and choices as guided by the Constitution of 1995 and the Local Government Act 1997.

Component 4: Strengthening the Administration of Local Council Courts with an objective to strengthen the local administration of justice.

Within the process of refining, deepening and consolidating achievements of the DDPI, the DDPII was implemented in the six DDPI target Districts, namely: Yumbe and Arua in the North, Jinja in the East, Kayunga and Mukono in Central and Kabale in the South, with the Local Revenue Enhancement component extended to four additional districts of Sironko, Kumi in Eastern Uganda, Bundibugyo and Ntungamo in Western Uganda.

The financial breakdown of the programme is summarised in the Project Summary section of this report (page 1).

4.2.3 Programme Status

The programme status, in terms of expected outputs, and achievements are presented in section 6 component by component. The status is, therefore, an integral part of the evaluation.

5. EVALUATION FINDINGS

5.1 Results Achievement

5.1.1 Overall Programme Finding

The programme has made major progress in terms of achievement of programme outputs. There is evidence that each programme component has achieved most, if not all, of its immediate objectives, but there was mixed evidence regarding whether the programme has achieved the development objectives. By design, the programme was largely a capacity building programme, with development outputs as proximate rather than immediate outputs. Again, by design, the implementation of the programme focused on activities and outputs as indicated in the project document. Thus only the gender component and, to a limited degree, the local courts components have achieved some development objectives. The other components have only helped lay the institutional framework necessary for achieving development objectives in the future. The programme results are, on the whole, replicable and sustainable as evidenced by the inclusion of the results in major policy documents. However, the degree to which the results are replicated and sustained will depend on how well those factors that have affected implementation positively are reinforced and those that have had a negative effect reformed. In all, the most successful component was the local courts component. The programme was well managed, monitored and well documented and successfully piloted, the practice of partnership between the government and development partners, and between the central government and the local governments. Most of the programme assumptions were fulfilled and, overall, there was high satisfaction with the programme. Uganda's new multi-party politics has not affected the base thrust of decentralisation upon which the programme was predicated. The UNCDF is well positioned to continue acting as a catalyst in the replication of the programme results, given that it enjoys a lot of good will from both the government and the donor community.

5.1.1.1 Programme Assumptions

Most of the assumptions that underpinned the DDPII at program designing were fulfilled. Decentralization remained a top government strategy for good governance and poverty eradication in Uganda; the Ministry of Local Government played its expected role in pushing the decentralization process forward; the desired high level of donor commitment to decentralization was maintained as could be observed from their continued funding to decentralization programmes like the DDPII and the LGDP. Finally, the Fiscal Decentralization Strategy was rolled out to local government hence addressing one of the key risks identified during the design of DDPII.

However, although both Government and Donors' commitment to decentralization remained high, the evaluation noted that there has not been sufficient progress in increasing the amount of development resources to support local planning processes. Instead the proportion of conditional grants in district budgets and plans has been growing throughout the entire DDPII period while the size of discretionary unconditional grants has been on the decline. This is a worrying trend in decentralization.

5.1.1.2 The Programme and the Log Frame

The outputs have been largely achieved but without a similar success rate for the development and immediate objectives. The evaluation notes that there was a disconnection between program

EVALUATION REPORT

activities represented by the intermediate objectives in the log frame and the overall DDPII objectives. A technical analysis of the relevance of the intermediate objectives and outputs revealed that although they were necessary activities for achieving the immediate and overall objectives of the program, they were not sufficient. A critical gap was in the amount of resources available to implement locally identified priorities and provide for a higher level of service delivery envisaged in the longer-term objectives of the program. One assumption made by the DDPII design was that the grassroots plans that would be developed would be implemented with funds coming from the LGDP. Indeed the LGDP has been seriously implemented in all LLGs in Uganda, and there was a high commitment to it by many more donors than was envisaged. But still the program could not provide enough resources to facilitate meaningful and effective implementation of local development priorities. Parish indicative figures for development planning have remained insignificant as compared to the size of grassroots demands. Village and parish priorities have not been adequately reflected in district and national plans.

5.1.1.3 Overall Level of Satisfaction

Overall there was a positive level of satisfaction with program results by all stakeholders contacted during the evaluation. This level of satisfaction runs at all levels.

At the national policy coordination levels all participating government ministries expressed great gains from their respective program components. The Ministry of Local Government, for example, indicated that it benefited from the programme's contribution to coordination and implementation of the decentralization policy. The tools for harmonised participatory planning, generated through this programme, have been adopted nationally. This is also the case with local revenue enhancement plans.

The Ministry of Gender at the national level indicated that it was highly satisfied with the DDPII results because, in addition to providing opportunity and resources to this ministry to implement real gender mainstreaming activities in local governments, the programme facilitated a wider representation of the gender concerns in other ministries via the creation of gender focal point offices in these ministries.

At the local government level, there was a uniformly positive rating story of the program components. The Local revenue Enhancement component, for example, was commended for helping to eliminate the differences in attitudes between local politicians and civil servants with regard to local revenue mobilization. In all districts visited, we were informed that prior to DDP interventions, most district / sub-county politicians were largely non-supportive, and in some cases worked against revenue generation campaigns by civil servants. This has now changed. The evaluation found that in all districts visited politicians and civil servants now have similar commitments to enhance Local revenue via their local revenue enhancement plans. Furthermore, most districts have formed local Revenue Enhancement Committees, where both political leaders and civil servants are represented.

At the community level, the evaluation noted a significant level of satisfaction with the local council courts component. This component attracted a lot of excitement from members of the local courts contacted. In Kayunga District, for example, local court members testified to the evaluation team how the guidelines have been instrumental in increasing people's respect in their courts, which in turn, has acted as a deterrent for community crimes.

5.1.1.4 The Programme and Uganda's New Politics

Uganda is experiencing significant political changes arising out of the transition from a unitary "movement" political system to a multi-party political dispensation. However these influences have not altered the basic policy foundations for decentralization and as such the evaluation did not observe any significant influence to the program results arising out of this transition. At some level though, i.e. the local courts, the opposition contested the election of village and parish local councils because they were being elected in an old law that did not take consideration of multi-party dispensation. The high court ruled in their favour and hence the current village councils are operating outside their legal term of office. As a result, the evaluation noted that the ministry of local government had to put on hold training and capacity building activities for this activity waiting for new local council members who did not come in time.

However, this dispute did not seem to cause serious impact on the local justice project component on the ground, because the respect and authority enjoyed by the local Courts have not been undermined. At the village level, local Courts were seen to be normally operating without any contention. Even members of opposition parties still use them. This is mainly because these courts are viewed as societal institutions more than legal structures and the evaluation observed that, in the eyes of community members, there is a very small difference between Local Council Courts and the traditional courts.

Similarly, the multi-party political dispensation has not caused any serious effects on other components of the DDPII, except the Revenue Enhancement component where the politically motivated removal of the Graduated/ Personal Tax (GPT) has had a negative impact on local revenue enhancement.

5.1.1.5 Programme Extension

The DDPII period was extended from 3 to 5 years. The extension was largely attributed to a long programme management hierarchy which involved multiple levels of players including district local governments, component Managers, the PCU / MoLG, UNCDF Country and Regional offices. This extension was, however, not deemed by the evaluation to have caused any serious handicaps in programme implementation. On the contrary, the evaluation saw the extension as a positive step by UNCDF that provided the vital flexibility which allowed program implementation to run in accordance with the capacity of different implementing agencies and actors. It was also positively noted that the extension facilitated a smooth completion of the DDPII as it provided synchronisation with the completion of the LGDP2 program. Already the discussion for the LGDP successor program has considered some of the lessons generated by DDPII components and it is also envisaged that future action by UNCDF will be influenced by what is designed in the LGDP successor programme.

5.1.2 Monitoring and Evaluation

Monitoring and evaluation of the programme generated considerable discussion during the evaluation. At the district level, it was observed that monitoring from the centre, by the Monitoring and Evaluation Team from the MoLG, often stopped at the district level. At the sub-district level, it was observed that the monitoring from the district was infrequent. However, the monitoring and evaluation were well documented by the MoLG and the data was readily available at all levels, including studies and documentation of best practices. In all, the findings of the monitoring and

evaluation documentation/studies were similar to the findings of this evaluation.

5.1.3 On Co-ordinated Participatory Planning and Budgeting

The intermediate objective of the Coordinated Participatory Planning and Budgeting (CPPB) component of the DDPII was “*to strengthen coordinated participatory planning and budgeting mechanisms for local governments and lower local councils*”. To achieve this objective, the component targeted a number of results including i) *Harmonised Participatory planning Guidelines tested, refined and implemented*; ii) *Capacity of local governments in strategic planning enhanced* iii) *Participation in FDS Guidelines preparation and Testing Supported*; and iv) *Mechanism for vertical and horizontal communication, transparency, accountability and reporting put in place*.

5.1.3.1 Overall Component Finding

Considerable progress was made in achieving the intermediate objective of the component. Nearly all the targeted results were achieved and are sustainable and replicable. The evidence on whether the results will contribute towards achieving development objectives was inconclusive. However, all those interviewed observed that strengthening planning and other processes is a prerequisite for development even though this might not yield immediate outputs. Given the time lag between establishing the process/planning and achieving the developmental goal of poverty reduction, the impact of planning/processes can only be conclusively established, say, five years from now.

5.1.3.2 Progress in terms of timely achievement

Finding 1: The objectives of the component were achieved in a timely manner.

Harmonized Participatory Planning Guidelines (HPPG) tested, refined and implemented at LLG levels.

The Harmonized Participatory Planning Guides were revised, tested, and distributed to higher and lower local governments in programme districts and there was evidence of availability and use of these guides in all Lower Local Governments visited. The evaluation also observed common approaches in the way village development wishes are solicited and processed by Parish Development Committees and Parish Chiefs in programme districts, and how a few of these priorities have been forwarded for consideration at Sub county levels.

In the districts visited, it was evident that a half –day village consultative meeting has been used as a forum for getting community wishes for inclusion in Parish plans. At the Parish level, all village priorities are integrated, synchronized and prioritized to produce a single list of Parish priorities that is submitted to Sub-county. However, most village priorities are dropped at the parish level because of a small indicative resource envelope.

Attempts to simplify the HPPG were undertaken by the DDPII through splitting the original HPPG volume into two versions, one for sub-counties and urban Lower local governments and the other for parishes. The split has, in a way, increased chances for adaptation of the HPPG as a planning tool at different levels of lower local government, although this did not lead to increased user-friendliness of the guide.

Capacity of local councils in strategic planning at district level enhanced

This activity targeted enhancing the capacity of local councils to undertake strategic planning and to link these plans to annual budget estimates.

The evaluation observed improvements in the quality of development plans at Lower Local Governments as reflected in the higher level of analysis in current development plan documents compared to 3 years ago. Current editions of Lower Local Government development plans reflect elements of visioning and proactive planning as well as a deeper analysis of existing situations. This improvement was attributed, in part, to planning guidelines received from the Ministry of Local Government.

Participation in FDS Guidelines preparation and Testing Supported

Modalities for Fiscal Decentralisation were approved and piloted by government during the time of DDPII. The Local Government Finance Commission and the Ministry of Local Government played a very active role in this process. There is a visible link between District plans and annual budgets in the priority sector areas of Education, Health, Feeder roads, Agriculture production and Water and Sanitation although this was not attributed to FDS. On the contrary there is inadequate reflection of other non-Priority Programme Areas (PPA) sectors in the annual district budgets. However the FDS has not caused any significant changes in the level of development funding available to lower local councils. The strategy has implied a small degree of flexibility in sector grants at the district level as districts are allowed to re-allocate 10% of sector grants, but this is still restricted to the priority areas and there has not been any serious devolution of sector budgets to lower local governments.

Mechanism for vertical and horizontal communication, transparency accountability and reporting

There was insignificant outcome on this activity as the local government planning and budgeting process is still inaccessible to the private sector and civil society actors. Secondly, the project did not create any visible changes in the feedback process between lower local governments and districts and between districts and the national government.

Similarly, planning guidelines have not resulted in serious coordination of planning at different levels of government. For example, the guidelines don't provide adequate mechanisms for linking lower local council priorities to district and national plans. A major handicap in establishing an effective vertical and horizontal communication, transparency, accountability and reporting mechanism therefore remains the top-down planning approach.

5.1.3.3 Alleviating programme-relevant dimensions of poverty

Finding 2

It was not possible within the scope of this evaluation to establish the extent to which the poverty related overall development objective of the DDPII has been affected by the successful implementation of the participation component during the project period. An assessment of this issue would require a longer timeframe. However, the programme has helped lay the necessary institutional prerequisites for poverty reduction.

5.1.3.4 Improving access to services

Finding 3: The component has increased access to planning institutions.

It was not possible within the scope of this evaluation to establish the extent to which the planned indicators of the immediate objectives of the DDP project (like people's access to basic services-water, education, health etc, quality of service delivery, quality and number of micro-projects) have changed by the participation component within the project period.

Although access to social-economic infrastructure and public services was included in the project matrix, as one of the higher level indicators for the project purpose, the assumption was that the Ugandan government and other development partners would be funding these investments, which has happened to some degree. The DDPII was, however, by design, a capacity building project, which was not directly contributing to delivery of social and economic infrastructure. Nonetheless, through encouraging participation of community members in the planning process, the DDPII has made contribution to improved governance practices in Local Governments. Furthermore, in all the District Local Governments visited, we observed that the size of their budgets has been progressively growing primarily because of a consistent increase in central government contribution to higher local governments (HLGs). The increase has caused a rise in the level of service delivery in local governments. However, service delivery in lower local governments (LLGs) has been negatively affected by the loss in local revenue following abolition of graduated tax.

5.1.3.5 Achieving more equitable participation and distribution of benefits across gender, ethnic and socio-economic groups

Finding 4: Although the component has achieved nearly all the planned outputs, as well as enabling increased participation of women between 2004 and 2006, it has supported and inspired only a limited degree of consultation of community members as part of the LLG planning cycle.

We examined records from LLGs and they showed that despite DDPII's interventions to inspire a more equitable and effective community participation at the grassroots planning activities, people's response has not been big. Overall, a very small percentage of citizens in the community do attend planning meetings as it is demonstrated in table 2 and chart 1 below which compares actual attendance with the total adult population in sampled villages in Jinja District. In some LLGs, it was revealed that the Chairperson sometimes sits together with a few members of the village executive and compiles the village priority lists they forward to the Parish level. In such cases, rarely are women rarely consulted and their interests and priorities considered.

Furthermore, evidence from records of village meetings show declining levels of participation, just as it was reported by the village leaders. This was attributed to planning fatigue, which is the result of a planning cycle that is viewed as too frequent and too repetitive by the community members and which does not yield tangible benefits in form of projects or services going to villages.

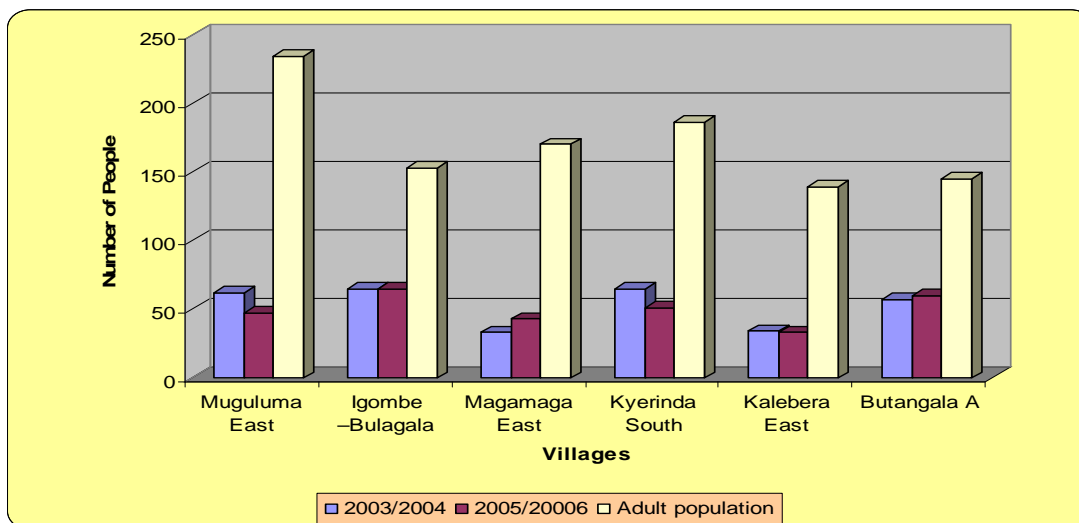
EVALUATION REPORT

Table 2: Number of People who Participated in Village Planning Meetings in Magamaga Parish, Buwenge Sub-county, Jinja District in Financial Years 2003/4 and 2005/6

Name of village	2003/2004			2005/2006			Total No. of Adult Population
	Male	Female	Total	Male	Female	Total	
Muguluma East	32	30	62	21	26	47	234
Muguluma West	20	14	34	20	12	32	170
Igombe –Bulagala	34	31	65	32	33	65	153
Igombe –Busige	18	29	47	19	29	48	196
Magamaga East	20	13	33	20	23	43	170
Magamaga West	15	14	29	10	12	22	194
Kyerinda South	41	24	65	24	27	51	186
Kalebera East	22	13	34	23	10	33	139
Kalebera West	22	19	41	13	17	30	238
Butangala A	42	9	57	33	27	60	145
Butangala B	27	20	47	22	13	35	163
Butangala C	32	31	63	44	21	65	178
Butangala D	27	24	51	29	37	66	210
Total	352	271	622	310	287	597	2,326

Source: Minutes of village planning meetings 2003/4 and 2005/6, Buwenge Sub-County, Jinja District.

In terms of analysis of the trend of this participation, there were cases when some villages had women's participation as that of half of men. Low mobilisation for females and lack of consideration of women's interests and needs were given as key discouraging factors for females' participation. In few of the villages, female participation exceeded that of males. This was mostly in areas where there were more female leaders than in other areas, who mobilised fellow female participants and encouraged them to voice their concerns

Figure 1: Trends of Citizens' Participation in Development Planning: A Case of Magamaga Parish, Buwenge Sub-county Jinja District

Source: Minutes of Village Planning Meetings 2005/2006, Buwenge Sub-county Jinja District

5.1.3.6 Influencing policy reforms and implementation that support effective decentralisation

Finding 5: There is sufficient evidence to support the conclusion that this component of DDPII has contributed to enhancement of decentralised development planning in Uganda.

In all districts visited, the project has been appreciated by the district technical teams and especially by the district planners for making the District Planning Units vibrant and able to serve as development nerve centres. This was through provision of guidelines, equipment supply, and provision of skills through training and mentoring and supervision by the centre. The equipment, though some of it is now ageing, was functioning and being used for data analysis and some enterprising planners had acquired additional software to enhance planning.

Consequently, the Quality of planning in all the six districts visited is much better than before DDPII. Plans are more analytical, (not just wish lists), and well documented especially at district level. There were also some serious attempts to involve the citizens in the planning exercise although this is still facing big challenges, among them the danger posed by declining participation. Village leaders understand the need for participation albeit still in the narrow way of “fighting to get a project for themselves”.

5.1.3.7 Replication of the Approach by the Government and/Or Other Donors, Etc.

Finding 6: There is evidence that the aspects piloted in the Coordinated Participatory Planning and Budgeting component of the DDPII will be further followed up in future policy designs aimed at deepening decentralization in Uganda.

Already the roles played by these aspects in the 10 years Local Government Sector Investment Plan (LGSIP) are sufficiently visible. DDPII was highly appreciated by both the Ministry of Local Government, and donors in the Decentralised Donor Partners Group (DDPG) for informing the design of the LGSIP.

In the LGSIP government sets itself six strategic investment areas to achieve a deeper decentralization process in Uganda in the next ten years. These are i) *Improving service delivery*; ii) *Political Decentralisation*; iii) *Administrative decentralization*; iv) *Fiscal decentralization*; v) *Good governance*; and vi) *Local economic development*. Enhancing participatory development planning in Local government is one of the key investment priorities to be implemented as part of the support to administrative decentralization and good governance strategic areas (*Investment Areas iii & v*) in the LGSIP.

The evaluation found a very a strong partners’ commitment to the LGSIP within the Decentralisation Donor Partners Group which provides further guarantees for replication of the partnership started in the DDPII. It was widely acknowledged that participatory Planning and Budgeting “will give citizens real voice and empowerment in determining local development agenda”

In addition, it was found that effective people's participation is regarded as a key strategic component of the fight against poverty in Uganda. Participation is a prior action in the PRSC as well as being a key policy benchmark in the PEAP Results Matrix.

5.1.3.8 The programme and the participatory Development Management Programme

The evaluation noted that in a bid to address some of the shortcomings experienced by local governments in their effort to achieve harmonized participatory planning at all levels of local government, the ministry of Local government together with UNDP has been running the Participatory Development Management Programme in eight pilot districts. Some of these districts, namely Kabale, and Jinja are also DDPII districts and were included in the sample for this evaluation. As such the evaluation took special interest in studying the impact of this PDM program and how it contributes to the learning process with regard to participation and governance objectives of decentralization.

The PDM is focused on establishing practical mechanisms of facilitating common citizens to participate in development planning using deep participatory rural action methods. It also works out mechanisms of supporting integration of lower level development plans into higher-level plans using a building block approach. The Uganda constitution and the local government Act advocate for this building block approach, but the snag so far is that there are no clear modalities for achieving in practically. Hence the PDM is providing some good lessons in this regard.

Another important lesson learnt from the PDM is that through a well facilitated village, parish, and sub-county profiling and planning process, it provides a practical mechanism for pooling the different sources of development resources in lower local governments into a single planning system including NGOs and community resource. This attempts to address the resources gap experienced by lower local governments and provides a higher morale for participation. It also attempts to neutralize the vertical division in the local government planning process caused by the sector programmes by asking all line departments and NGOs to participate in a single planning process starting right at the community level.

The PDM has also been appreciated for emphasizing people's participation not only in development planning but also in development implementation and ownership of development outcomes. This was found to be a very strong factor in building genuine people's interests in the development process and hence address the apparent lack of tangible outcomes from the participation. The PDM emphasizes that leaders have got a duty to assist their private sector to acquire the necessary capacity to take active part in the implementation of development programmes taking place in lower local governments.

In sum, while the decentralization act requires that the planning process involve all citizens and while the ministry of local government has provided the tools to facilitate this through the Harmonized Participatory Planning Guides (HPPG) and other tools, the PDM initiative prepares and mobilizes all actors in local government on "how" to make effective use of both the policy provisions and the tools provided by the ministry. This, it does by working out practicalities of bringing the different levels of actors together into one planning process and neutralizing their differences in attitudes, practices and procedures. It also enables citizens to take an active and effective role by training them in PRA approaches, providing village-based facilitators to lead them, and allowing them sufficient time to take part.

However, the PDM faces some snags. The PRA approach requires a lot of resources to adopt it to a national level. It also requires a lot of time to apply it on an annual process. Secondly, the evaluation noted that the results of this very good initiative are not adequately mainstreamed in the official mechanisms for reviewing the performance of decentralization reforms, and they have

EVALUATION REPORT

therefore remained largely un-captured. The programme has remained a project and there are no serious efforts to hinge it to the relevant department of within the ministry of local government, although it is supposed to be anchored through the Policy and Planning Section of the ministry. In a similar manner, the plans developed through this participatory process, especially at the village and parish levels, have remained unimplemented mainly due to lack of development resources at these levels.

Nonetheless, the evaluation noted that the results of this PDM initiative are too good to be ignored and this is where the evaluation team observes a possible area of cooperation between UNDP, MoLG, and UNCDF to experiment a deeper participatory development planning and management approach.

The Ministry of Local government and the UNDP need to take action to capture the lessons learnt from the PDM into the annual review of decentralization. It has also been recommend by participating districts that the ministry of local government should champion an inter-ministerial dialogue, which will enable pooling of all sector-planning resources in local government into one planning process that emanates from the village level. To facilitate this, the PDM needs to be anchored more strongly within the Policy and Planning Section of the Ministry.

In addition the ministry has been asked to review the planning cycle to adopt a 3-year non-rolling cycle for strategic planning supported by a rolling annual budgeting process. This will help to address the repetitiveness of the current planning cycle and allow enough time to do a PRA approach to local government planning.

5.1.4 On Local Revenue Enhancement

The intermediate objective of the local revenue component of the DDPII was “to improve the mobilisation and generation of sustainable local revenue through enhanced capacity of local governments and their supporting institutions”. To achieve this, the component targeted a number of results including i) Mechanisms for enhanced policy exchange on local revenue generation established; ii) Operational guidelines for revenue collection systems produced and introduced to LGs; iii) Local capacity for Professional property Assessment and tax collection enhanced; iv) Gender sensitive communication strategy designed and implemented; and v) Public and private sector partnership for revenue mobilisation and generation enhanced .Three end-of-project outcomes were specifically targeted by the Revenue Enhancement Component. These included, i) an increase in the number of local governments with revenue increases over the project period; ii) decrease in the gap between expected and collected revenue; and iii) an increase in tax recovery rate.

5.1.4.1 Overall Findings

Finding 1: The component had mixed results and, of the four components, it was the most problematic.

The intermediate objective of the component was achieved to a large degree, and so were the targeted results. However, the end of project targeted results was not achieved and neither was poverty reduction. The evaluation found that the design of the component did not target specific interventions that would enable the DDPII to reach its expressed goals on enhancing local revenue. Hence, though part of the explanation for the failure to achieve its overall results lies outside the programme, a large part of it is to be found within the focus of the programme design,

which centred largely on revenue collection only. However, the systems that the component has put in place could help reverse the trend of declining local revenue, but only in conjunction with another general policy such as Local Economic Development (LED).

Lessons learned are largely replicable and some are already finding their way into policy but a great deal will depend on external factors outside the pilot programme such the general thrust of the decentralisation policy and its linkages with enhancing the economic basis of revenue.

5.1.4.2 Progress in terms of timely achievement of results

Finding 2: The immediate objective of the component was achieved to a large degree, and the targeted results were also achieved. The exception was the end-of-project outcomes, which were not achieved.

Mechanisms for enhanced policy exchange on local revenue generation established

There is a visible increase in national discourse on local revenue enhancement. The DDPII was commended for enabling an active involvement of key national agencies in policy exchange focusing on local revenue mobilization and consolidation. The involvement was made possible via the Local Revenue Enhancement Coordination Committee (LRECC), which is an inter-ministerial forum and works in close relations with a wide range of partners including donors, NGOs and research organisations. From its minutes, it was evident that the LRECC discusses relevant policy issues concerning local revenue generation such as graduated tax compensation, and strengthening property tax.

The LRECC played key roles in the preparation of a new bill which aims at introducing new revenue sources for local governments and which, at the time of this evaluation, was going through parliament. However, the LRECC has remained a project forum and there have not been any serious steps to integrate it into a more regular structure. Secondly, the effect of the increased national discourse in terms of translating into tangible benefits on the ground is yet to be seen. Local governments have accused the ministry of local government for not doing enough to protect them against undue interferences on local revenue generation, originating from national politics. In addition, the compensation for revenue lost as a result of graduated tax abolition is still inadequate and falls below local government expectations. All local governments have received less than 50% of their former collections from this source.

Operational guidelines for revenue collection systems produced and introduced to LGs

Innovative practices such as outsourcing revenue collection from businesses on local revenue generation and collection have been adopted by local governments. There is a strong awareness and commitment at the District and Sub-county level of the need to enhance local revenue, which can be directly attributed to a wide distribution of Best Practices on revenue generation and guidelines for implementing those practices via the DDPII. There is visible effort as reflected in district revenue enhancement plans and annual revenue reports by both higher and lower local governments to broaden revenue base by adapting new sources.

Both higher and lower local governments have embraced the practice of preparing Local Revenue Enhancement Plans, and although accessing LGDP funds remains the main driving force for this practice, there is evidence that in programme districts local governments have highly benefited from skills and guidance provided by the LGFC and ministry of local government under this DDPII

EVALUATION REPORT

component. Consequently, the analysis and planning for revenue enhancement initiatives in the DDPII Districts visited were found to be of high quality.

An overall effect is that, in many local governments, the number of local revenue sources has increased as demonstrated in table 3 in the case of Ntungamo district, which has moved from 7 sources in 2001/2 to 11 sources in 2002/3 to 13 sources in 2005/6. However, the total yield from these sources has not been proportionally progressive since, as seen in the same example, total income declined from U.Shs. 220m² in 2001/2 to 129m in 2005/6.

Table 3: Local Revenue Outturn in Ntungamo District between 2001 And 2006 (Figs in UGX)

No	ITEM	2001/02	2002/03	2003/04	2004/05	2005/06
1	Graduated Tax	619,979,250	920,269,000	811,210,000	704,168,258	0
2	G.tax arrears	0	0	0	8,039,786	32,841,006
3	Land fees	0	0	0	0	20,579,750
4	Business licenses	0	994,000	3,813,000	779,571	794,577
5	Liquor license	0	2,430,000	2,637,000	0	22,750
6	Other licenses	62,061,353	22,134,000	23,519,000	0	515,000
7	Rent and rates	0	0	0	0	547,250
8	Rent produced assets	0	0	0	1,389,000	540,000
9	Park fees	2,730,500	4,008,000	3,646,000	1,271,850	742,399
10	Property related fees	11,936,650	6,010,000	2,790,000	0	910,500
11	Animal/Crop levies	0	9,769,000	8,711,000	9,609,694	12,514,994
12	Market gate charges	50,692,900	61,239,000	52,590,000	56,265,609	13,595,197
13	Fees from appeals	0	0	0	1,332,714	249,000
14	Other charges /fees	0	24,294,000	42,413,000	128,510,647	42,623,427
15	Miscellaneous	0	0	0	0	2,861,000
16	Forest related license	0	21,930,000	35,880,000	250,000	0
17	Administration fines	0	0	0	3,853,934	0
18	Registration fees	0	801,000	4,927,000	3,073,561	0
19	Sale produced asset	0	0	0	6,176,875	0
20	User fees	64,794,000	0	0	0	0
21	Departmental revenue	11,844,,100	0	0	0	0
	Totals Local Revenue	812,194,653	1,073,878,000	992,136,000	924,721,499	129,336,853
	<i>Central government transfers</i>	<i>9,563,463,029</i>	<i>10,495,579,000</i>	<i>12,191,803,000</i>	<i>13,187,652,075</i>	<i>14,986,417,507</i>

Source: Final Accounts for Ntungamo District, 2001/2-2005/6

Local capacity for professional property assessment and tax collection

There is progress in introducing property tax as a new source of revenue for local governments. A new property tax Act was passed by Parliament representing a crucial step and progress with

² For ease of comparison, this figure deliberately excludes Graduated Tax revenue

EVALUATION REPORT

regard to legislation. The Act, including accompanying regulations and guidelines for valuation has been circulated to all local governments.

Further, the Ministry of local government has identified and short-listed private valuers to assist selected pilot local governments in conducting baseline property valuation exercises to raise the necessary data. Funds have also been granted to these local governments to support the process.

However, despite being a viable alternative, the new property tax still faces a number of challenges including i) Local governments not having adequate capacity to undertake baseline valuation and maintaining updated lists of properties and their values; ii) Property owners not fully sensitized on the tax, meaning that high resistance to the tax is still foreseen, iii) a strong discontent, which mainly stems from the fact that the national government through URA also collects income tax from the same property owners, which was viewed as “double taxation”; iv) Property tax not being widely applicable in rural local governments as there are too few taxable properties; and v) high proneness to political pronouncements.

Gender sensitive communication strategy designed and implemented

Although no specific revenue communication package was seen, it was evident that a number of sensitization workshops and exchange visits for local governments were conducted by the LGFC under this component. As a result, the evaluation witnessed a high level of participation of councillors in revenue mobilisation programmes in all districts visited and in some local governments revenues mobilisation committees have been established comprising both councillors and civil servants.

Radio talk shows and public gatherings have been used in a number of districts visited to mobilise taxpayers, and these have been addressed by both politicians and civil servants.

In addition, gender responsive messages were formulated and used in revenue mobilisation in ways that helped to enable high recognition of the role women play in undertaking work that contributes to revenue generation. There is evidence of awareness and action at the local government level, with regard to involvement of women in revenue collection and generation. In Sironko, for example, the district council has adopted affirmative action to encourage women participation in revenue tendering. The results of this effort include the creation of a new employment opportunity for women to be involved in revenue tendering; increased participation of women in decision-making about tendering contracts; and improved working relations between men and women in revenue collection procedures and tasks.

Enhance public and private sector partnership for revenue mobilisation and generation

Use of public–private partnership in revenue mobilization and collection has been widely adopted by all local governments, though with mixed results. In a few cases, especially in cases where the influences of politics and corruption have been minimal, the strategy has worked well.

However, in the majority of cases, this strategy has produced negative results and many local governments have resorted back to direct collection. As reported in the midterm evaluation, the main handicaps facing this innovation still remain i) political influence and corruption; ii) poor data to guarantee proper assessment; iii) unreliable reserve prices; iv) low capacity to monitor and supervise private collectors; etc

Finding 3: The outcomes were largely not achieved. A general evaluation of the level of project achievement on the three end-of-project outcomes reveals a rather low score on most of them. Overall, of the four DDPII components, LRE was the most problematic as reflected by a high level of frustration in Local Governments.

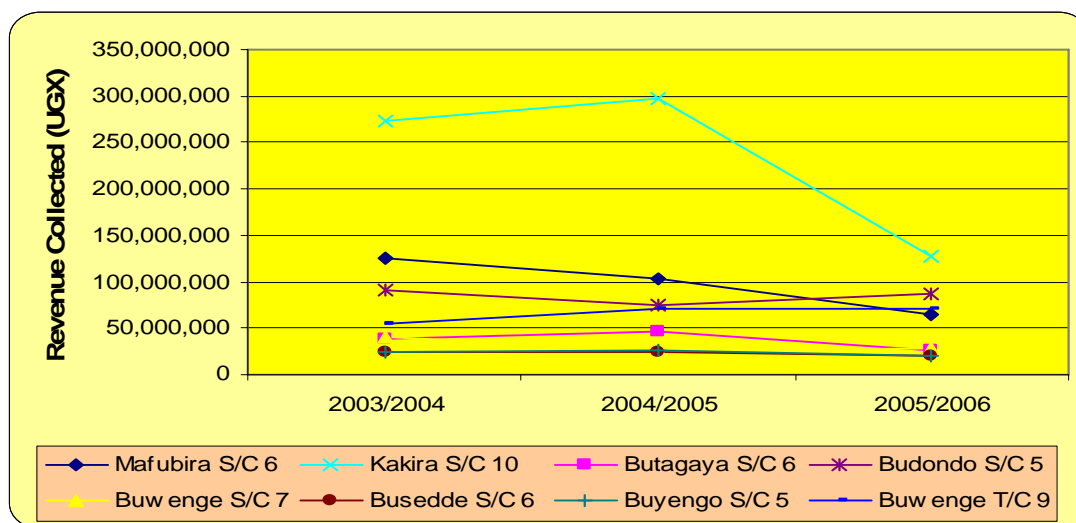
Generally, local revenues in all districts visited has been on a declining trend both pre and post abolition of graduated Tax (apart from the two exceptional cases of Sironko District and Ntungamo Town Council). Evidently, all the efforts to implement the various revenue best practices in Local Governments have been *necessary* but *not sufficient* to substantially boost local revenue generation. The situation is more critical at lower local government level as illustrated in Table 4

Table 4: Trends in Local Revenue Sources and Yield for Lower Local Governments in Jinja District (2003 –2006)

Name of Local Council	2003/2004		2004/2005		2005/2006	
	No .of sources	Actual Collection	No. of sources	Actual Collection	No. of sources	Actual Collection
Mafubira S/county	6	126,429,385	4	102,939,375	7	65,084,300
Kakira S/county	10	273,685,189	8	297,720,628	7	128,249,078
Butagaya S/county	6	39,404,622	6	45,767,126	7	27,206,896
Budondo S/county	5	90,828,299	6	74,214,000	8	86,685,941
Buwenge S/county	7	41,044,925	4	25,577,929	4	28,647,147
Busedde S/county	6	24,882,500	7	23,664,000	4	19,896,177
Buyengo S/county	5	23,656,308	4	25,999,457	6	19,828,842
Buwenge T/c	9	55,349,250	16	70,025,450	15	71,281,922

Source: Jinja District Local Revenue Enhancement Plan, 2006/7

Figure 2: Trends in realisation of Local Revenue over the Project Period- A Case of Lower Local Governments in Jinja District



Source: Jinja District Local Revenue Enhancement Plan, 2006/7

The rate of realization³ of revenue remains low as seen from all districts and lower local governments visited. The best performance was found in Kabale district with close to 99% realization in 2005/6, though analytically, this was more of a special-circumstance case than a normal trend.

Table 5: Trends in Local Revenue Projection and Actual Collection for Kabale District Local Governments (2003 –2006)

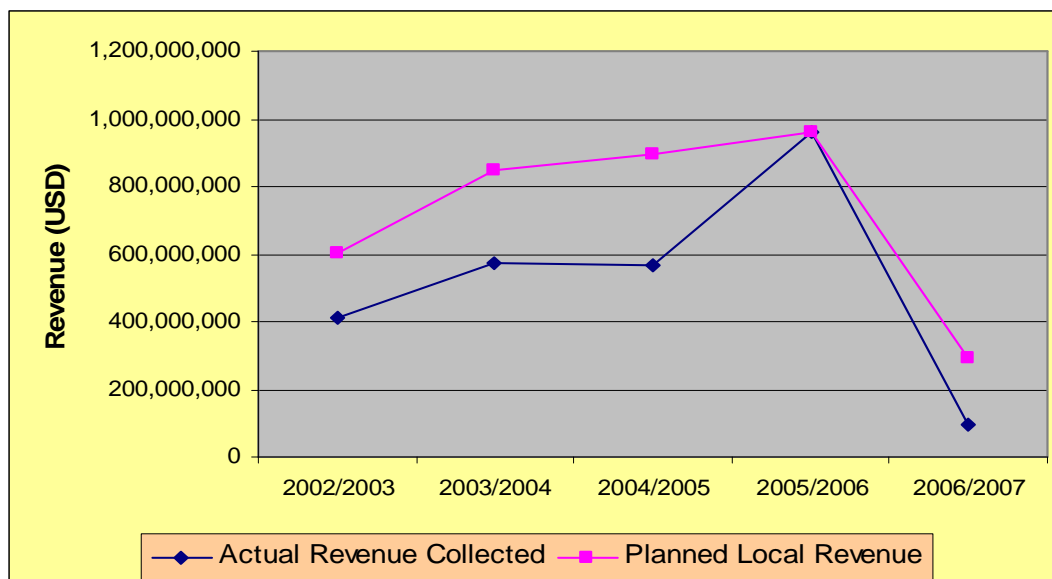
FINANCIAL YEAR	PLANNED LOCAL REVENUE	ACTUAL REVENUE COLLECTED	% Realization
2002/2003	600,945,400	409,946,485	68%
2003/2004	846,500,000	575,821,083	68%
2004/2005	898,075,000	568,061,946	63%
2005/2006	962,582,626	959,645,027	99%
2006/2007	293,940,000	95,447,8484	32%

Source: Final Accounts, Kabale District Administration, 2002/3 2005/6 and 3rd Quarter Financial Report 2006/7

Trends analysis indicates a big fall in both revenue expectation and realisation after 2005 as shown in Fig3 in the case of Kabale district. The trend is a measure of the effects of political pronouncements and other external shocks on local revenue collection.

³ Reflecting the relationship between expected and collected revenue

⁴ Revenue outturn from 3 quarters

Figure 3: Trends in Realisation of Local Revenue over the Project Period, a Case of Kabale District

Source: Final Accounts Kabale District 2002/03 to 2005/06

Even in Sironko district, which has largely been regarded as a success case in the project, the rate of realization of local revenue, despite reflecting a positive trend, did not reach 60%.

Table 6: Trends in Local Revenue Projection and Actual Collection for Sironko District Local Governments (2001 –2005)

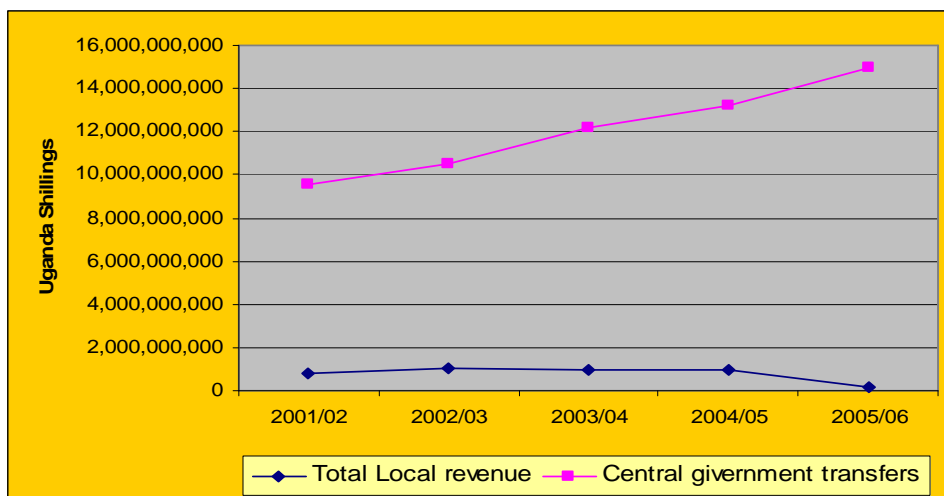
FINANCIAL YEAR	ACTUAL REVENUE COLLECTED	PLANNED LOCAL REVENUE	% REALISATION
2001/2002	182,680,702	400,700,100	46%
2002/2003	252,814,510	578,254,505	44%
2003/2004	262,201,462	527,068,701	50%
2004/2005	260,175,344	449,277,674	58%

Source: Final Accounts Sironko District 2001/2 to 2004/5

Throughout the entire project period, local revenue has accounted for a declining proportion of total income in all programme local governments. Without exception, local revenue constitutes between 1% -5% of Higher Local Governments budgets with central government transfers remaining the major and growing source of local government funding, implying a widening gap between local revenue and central government grants.

What the evaluation found to be more critical is that not only has the gap between local revenue and central government grants been widening, but the trend in local revenue is seen to be consistently downward throughout the entire period as is seen in fig 4 representing the situation in Ntungamo district.

Figure 4: Comparison between Local Revenues and Central Government Transfers during Project Time: A Case of Ntungamo District



Source: Final Accounts Ntungamo Districts 2001/02 to 2005/06

Most central government transfers remain largely inaccessible to lower local governments despite central government commitment to a deeper financial devolution via the Fiscal Decentralisation Strategy. Because of poor operational and technical capacity in lower local governments that hinder a deeper decentralization of sector funds to this level. Hence, sustainable local revenue remains a key question for a deeper Decentralisation in Uganda.

5.1.4.3 Alleviating programme-relevant dimensions of poverty

Finding 4: Overall, the component has had limited impact, if any, on poverty eradication.

This is because, by design, the component was made to focus on revenue collection and management, and not on productivity and income generation. All efforts and innovations have been on maximizing collection, which, unfortunately, have affected low income traders (market vendors, bicycle transporters, petty village traders, etc) instead of middle-income property owners. There have not been adequate efforts to “feed the cow before milking it”⁵ Likewise, it has been observed that the innovation on business registration has been done primarily for revenue collection purposes and not been linked with business promotion and development.

In addition, some of the local revenue sources undertaken by local governments have been criticized for not being environmentally positive. The licensing of charcoal burning and timber cutting activities as part of revenue diversification in Arua, Sironko and Kayunga district is a good example of revenue enhancement interventions which pose a threat to poverty alleviation. The effect is that the licensing has tended to legalize activities that are outlawed by other legislations.

⁵ A phrase used in the DDP Best Practices Study report

5.1.4.4 Influencing policy reforms and implementation that support effective decentralisation

Finding 5: The existence of the Local Revenue Enhancement Coordination Committee (LRECC) and the discourse that has taken place there-of have been regarded as a positive stride in bringing local revenue on the top of the policy agenda and dialogue at the national level.

There is advanced national discussions on sustainable local revenue and the Ministry of Local government has tabled in Parliament a bill intending to operationalise new sources of revenue for local governments. These developments are partly attributable to results of the DDPII pilot.

Finding 6: Replication of the approach by Government and/or other donor, etc

Like the coordinated planning and budgeting component, the evaluation found that experiences from the Local Revenue Enhancement component played a key role in informing the design of the LGSIP. There are, therefore, indications that the aspects piloted in this component will be further followed up in the LGSIP. Enhancing local revenue is selected as an intervention priority area for improving service delivery in local governments. There is also a strong partner's commitment to the LGSIP within the DDPG which provides some guarantees for replication of the partnerships on local revenue enhancement such as those observed in DDPII.

However, as observed in the evaluation, the level of implementation of revenue enhancement plans in programme districts is generally low, casting a less bright future regarding replicability of project interventions. All LGs visited experienced difficulties in implementing revenue best practices without project funding.

The Local Economic Development (LED) initiative that was picked by the DDPII during its closing year is one of the components that has attracted strong government attention and has already been put high on the policy agenda. It is one of the six sector strategic investment areas in the 10 years LOGSIP. *The evaluation found that the existing technical and administrative capacity at the district level is sufficient to support a comprehensive program for enhancing income generation at the household level.* The fact that much of the focus in most sector development programs in Uganda since 1995 has been on poverty eradication provides an environment that is conducive for mainstreaming Local Economic Development in local governments and a great potential for the vital synergies required to make LED a reality.

5.1.4.5 Revenue enhancement and evaluation time frame

The issue of whether an appropriate time frame for evaluating progress in revenue enhancement came up repeatedly during the evaluation. As noted, the data indicates that a trend of declining revenue, both pre- and post-GPT abolition. *A general observation was that the systems that the revenue enhancement component has helped put in place could help reverse this trend sometime in the future, BUT only in conjunction with a national strategic shift as envisaged under the LED.* In this connection, the UNCDF investment in the system was a worthwhile investment. We concur with this observation.

5.1.5 On Gender Mainstreaming

The intermediate objective of the Gender mainstreaming component was to promote equitable participation of women and men in shaping development directions and choices as by the

Constitution of 1995 and the Local Government Act 1997.

- In order to achieve these objectives, the component aimed at achieving the following outputs or results:
- MoGLSD capacity enhanced to achieve a more coherent policy environment for Gender Mainstreaming;
- Gender mainstreamed in areas of planning, budgeting, implementation as well as monitoring and evaluation;
- Local Capacity of gender key actors in gender analysis and gender mainstreaming increased; and

Institutional mechanisms to support gender mainstreaming improved.

5.1.5.1 Overall Findings

Finding 1: With reference to achievement and related delivery of inputs and activities, the component has attained its Immediate and Development Objectives.

5.1.5.2 Progress in terms of timely achievement.

Finding 2: The component achieved the results in a timely manner.

Capacity of the MoGLSD enhanced to achieve a more coherent policy environment for Gender Mainstreaming

The Gender mainstreaming component enabled the process and content finalisation of the National Gender Policy, which is the main document for gender policy guidelines in the whole nation. The implementation of this policy was also planned for through formulation of the Action Plan for the National Gender Policy. Further more, the National Action Plan on Women which had been formulated and used since 1998, was audited. *This strategic entry point for making gender a priority concern at policy and programme level, through the National Gender Policy and Action Plan, has led Uganda to be an example to many countries in the world. The highest success was realised through having a budget attached to the Action Plan. This is an indication of strong commitment, leadership and the creation of a conducive implementation framework with resources mobilised by the government.*

Furthermore, the implementation was strengthened through developing guidelines and disseminating them. Collaboration between the MoGLSD and sector ministries has been strengthened in ways that have enabled easier ways of implementing the gender policy through decentralization structures. In all the districts which were visited, planning has taken into consideration the Gender policy provision for ensuring that decision making levels are occupied by 30% women.

At programme coordination level within the Programme Coordination Unit, it was easy to note the timely achievement made through the gender mainstreaming component in terms of capacity building for the MoGLS. Evidence was available in terms of various planning and coordination skills that had been strengthened among the staff of the ministry and their collaboration with other ministries and civil society organisations.

Although the role of the MoGLSD in building the capacity of the district staff and local leaders

EVALUATION REPORT

proved to be effective and appreciated, there was a strong feeling from the district staff in all districts visited, that they would prefer the gender training programmes to be decentralized and controlled from the district. The staff indicated that this is how other trainings at the district are managed. They cited the experience of the districts in managing other training programmes, which are comprised in the District Capacity Development Plan. They felt they needed to own the gender capacity building programme more than is the case now. It was also recommended that gender training be decentralized.

The capacity of the MoGLSD to make timely funding to the district planned activities was also found to be a challenge. There were cases when the pre-gender caucus meetings organised for the elected District Women Councillors could not be undertaken due to lack of timely funds. The intention of such caucus meetings was to strengthen the Women Councillors' advocacy skills so that they could voice their concerns in Council. There were cases, such as in Kabale where funding for such activities was received after the District Budget Conference had taken place and District plans and budgets had been passed and approved.

5.1.5.3 Gender mainstreamed in areas of planning, budgeting, implementation, monitoring and evaluation

This activity used planning, budgeting, implementation, monitoring and evaluation, as key processes within which gender mainstreaming could be undertaken. In order to ensure effectiveness of these processes, *Gender Planning guidelines were formulated and distributed by the MoLGSD which were used in training and practical application of gender mainstreaming in planning, implementation and monitoring. The evaluation established that these have been used at Local governments, in ways that compliment the Harmonised Planning Guidelines.* This complementarity was achieved through enabling local government trainers in gender planning guidelines to use examples and processes that the participants in the planning groups were already used to (through applying harmonised planning guidelines). Learning from the known to the unknown helped to concretise the gender planning guidelines in ways that enhanced their use in the planning system, which the local government was used to. In all districts visited, there was evidence of Parish gender responsive development plans, which were used to feed into the Sub-County development plans and budgets, with the latter eventually used in the district priorities for the District Development Plan and budget.

Gender budgeting guidelines were also formulated and disseminated to local governments. These have helped in providing guidance during the planning and budgeting processes that feed into District Development plans. In all districts visited gender analysis as well as gender budgeting were integral parts of approved plans and approved budget framework. However, in all districts, there were challenges noted in transforming the plans and budgets into practical projects and activities on time, if at all. In other words, the process of moving from plans and budgets to actual activities that can be implemented, is a process that yet to be visible. Another challenge was that monitoring and evaluation were inadequate.

It was further noted that, for three out of the six districts visited, the activities which show gender as an integral part of the plans and budgets are only found in the Gender division which is within the Community Development department of the district without a further strategy of integrating them in the different sector departments. Further more, linkages between sectors and the Gender division is still limited. Within such a challenging process, the other three out of the six districts visited were found to be showing examples of gender as integral part of the sector budgets and plans in ways

that enable gender responsive processes to be undertaken at management level through training and actual activities at community level. On further examination, the evaluation team found that in districts where already existing sector-gender guidelines are used to complement the gender guidelines of the DDPII, success has been realized. Examples are the water sector⁶ in Arua, Roads and works sector⁷ in Kayunga and Jinja.

5.1.5.4 Local capacity of gender key actors in gender analysis and gender mainstreaming increased

Training was undertaken for various groups within local government including the technical committees at local council five, sub-county level, sector teams at district level and women councils. Training on skills transfer for gender mainstreaming was provided to the District Community services department where gender, youth, disability concerns are dealt with. ICT institutional support was also provided to this department.

Evidence of building of local capacity was illustrated through availability of Gender analysis matrices in the Parish plans, where useful information concerning gender was recorded. However, in most cases, there was still need to move further into analysing the results fully in order to turn them into gender specific programmes or projects. *On the whole, gender was being considered as a key priority concern in district plans and budgets as well as in management processes at local government level.*

Challenges in retaining the capacity built existed in cases where changes in the district structure caused the transfer of the formerly trained key gender personnel at the District level to lower local council levels such as the Sub County thus leaving a gap at the higher level. Yet this is the level where guidance is provided from. In such cases, it would then take time to enable the new staff to be trained in gender analysis and mainstreaming⁸. However, since gender trainings for the Sub County Community Development staff are normally organised at district level, the district which had got such a challenge, have been able to get gender sensitive development plans and budgets from the Sub Counties.

Institutional mechanisms to support gender mainstreaming improved

Institutional structures for supporting the process and sustenance of gender mainstreaming actions have been set up. These include the Uganda Gender Forum (at National level) and Gender

⁶ The water sector had already developed gender and water guidelines from the Ministry level. These were then combined with the gender guidelines provided by the MoGLS in ways that the staff found it easy to make gender an integral part of their plans and budgets. They were then able to translate such plans into actual activities.

⁷ The Ministry of Transport and works had already developed gender guidelines in the road sub-sector through funding from Danida and other donors. These guidelines were used at District level to provide the sector specific gender content which was then related to the Gender guidelines in planning and capacity building, which had been provided by the MoGLSD.

⁸ The new Senior Community Development officer at the District level in Kabale has yet to be trained in gender analysis and mainstreaming after the transfer of the trained personnel.

EVALUATION REPORT

Forums at local government levels, Women Caucus, Gender Focal points (at sector level/ministries). A Gender Mainstreaming Task Force was also established to work with the ministry on technical reviews, guidance and advice on various outputs of this project as well as the other activities of the Ministry. Policy influence that supports gender mainstreaming has been enhanced at National level through the Uganda Gender Forum.

The gender forum structures at local government levels as well as the Women Caucus, which includes the Women Councils, are the key channels through which gender concerns have been pushed through as priority concerns in the District Development Plan as well as the district budgets. These institutional mechanisms are working well but none of the district visited had started incorporating the financial and human resource needs into the district budget to enable sustainability after the end of DDPII. The future and follow-up activities of these institutional arrangements are therefore in doubt. However, all the districts indicated that they will consider including limited budgets for these institutional arrangements into the district budgets of the year 2008/2009. No commitment in writing was made on this.

Gender focal points are instrumental in providing guidance and technical knowledge as well as skills at sectoral level. The Gender Mainstreaming Task Force at National level has helped to add skills and strengthen the work of the MoGLSD through undertaking technical reviews, guidance and advice on various outputs of this project as well as the other activities of the Ministry.

Leadership and advocacy skills provided to Women councillors and Women Councils have strengthened the capacity of these institutional structures to influence policy decisions in ways that provide a channel for making gender a priority concern in national and local government planning, implementation and monitoring.

However, there is still need to enhance departmental linkages in addressing gender issues. The evaluation team also observed that there were no visible efforts to create synergies amongst the various groups of the vulnerable members of society, especially women groups, such as the elected women Councillors, and the women Councils. Such synergy would facilitate information sharing and working together in specified areas.

5.1.5.5 Alleviating programme-relevant dimensions of poverty

Finding 3: There was some indirect evidence that part of the gender mainstreaming approach, under this component, has enabled capacity-building for the empowerment of the poor, as well as women, in ways that can enable economic and social rights to be considered as key priorities in poverty alleviation strategies.

Evidence could be noted through the way needs for the poor and those of women were transferred and given high level consideration as priority issues in the planning at local government level. The component contributed to recognition of this aspect, especially through local government planning processes, implementation and monitoring of plans, budgets and activities. The evaluation team noted that this priority setting for gender as a key concern was also spearheaded by the support that was provided by the mainstream institutional gender structures that were created through this project. These gender structures enabled gender to be voiced as a key concern.

Budget allocation for enabling increased access to economic resources that address the different needs of women and men has been undertaken in most of the districts which the evaluation team visited. Economic and security related activities were being considered as priority needs in all the

districts in ways that reflect poverty reduction concerns.

5.1.5.6 Improving access to infrastructure and services

Finding 4: Capacity building in gender mainstreaming has facilitated increased access to knowledge related services and improved planning for improved access to resources at the local government level.

The capacity built at local government level through skills enhancement has enabled planning and advocacy tools to be utilised in ways that have enabled gender to be a priority in budgeting. Although results are not yet visible, the future has promises of increased access to infrastructure and services that address the different needs of females and males.

The MoGLSD equipped the Community Development Offices, which are in charge of Gender, Culture and Community Development, with a computer for each of these offices. The capacity built for district staff in computer skills, has enabled improvement in the research, documentation, storage and dissemination of gender disaggregated data that would not have been possible without access to such equipment. There are cases, such as Arua district, where additional computers were accessed by the district. Further, the collaboration between the Community Development and Planning Department has enabled establishment of a data base and reference materials centre. This was found to be a timely intervention, given the roles which the two departments play in facilitating collection, analysis and dissemination of gender related information as well as data for effective gender responsive planning, implementation and monitoring of policies and projects.

5.1.5.7 Achieving more equitable participation and distribution of benefits across gender, ethnic and socio-economic groups

Finding 5: The component succeeded in increasing participation through ensuring that the capacity building activities involve both women and men. However, there was little evidence to show that the component has facilitated distribution of benefits yet.

The policy and rule related provisions in the national constitution, the Local government Act, as well as the National Gender Policy, enabled participation and benefit sharing to be priority concerns in the DDPII. There were efforts to achieve equitable participation by both genders. However, that did not mean that they would all be able or be given opportunity to participate equally in meetings and trainings. Cultural perspectives were reported to have presented challenges to women in that they would be present at meetings but would be unwilling to speak, especially if their views did not agree with those of the men. Furthermore, even in cases where they were present and able to reflect on their needs the benefits were not yet visible due to the short duration of the pilot programme.

The gender component also created an entry point to gender mainstreaming in other components of the DDPII. The guidelines for local courts for example, have provisions for equitable participation in the delivery of judicial services. Within such provisions time-use and periods when court processions are held, have to be in line with women's time. In addition, at least two of the five court members have to be women. Local revenue component also had gender sensitive messages developed to enable resource and service revenue to be considered as an issue that concerns both women and men. Participatory planning was a key component where participation and gender representation were focused on as reported in the section on this component. The evaluation did

not focus on ethnic and social economic groups.

5.1.5.8 Improving management of natural resources

Finding 6: Capacity building for gender mainstreaming helped the staff at district level to pay attention to plans and activities in ways that ensure gender is an integral part of natural resources management.

Gender and natural resource management are now seen as key issues to be included in the planning, environment, health and works departments of the districts visited. Local government planning that dealt with natural resource management at lower local councils, also included gender as a priority, mainly in planning. *However, actual activities that combine gender and natural resource management are yet to be developed in most of the districts visited.*

5.1.5.9 Influencing policy reforms and implementation that support effective decentralisation. The component has influenced policy reforms

Finding 7: The skills as well as the policy documentation that have been developed and disseminated within the funding of DDPII, have enabled the Ministry to strengthen its ability to lead, coordinate and guide gender mainstreaming in the country (documentation includes the review and revision of the national gender policy, and the National Action Plan on Women)

This has facilitated ways through which different actors in decentralisation have been able to use gender mainstreaming as a tool for influencing policy reform.

The collaboration between the MoGLS, Programme Coordination Unit, different sector ministries and local governments, has provided ground for influencing policy change across various sectors in ways that ensure gender responsive planning, implementation and monitoring. This has been done through testing and reviewing the National Gender Policy, National Action Plan on Women as key policy documents. Despite the limited number of staff (only 6 working in relation to this activity) compared to the enormous amount of work to be done, they have been able to coordinate, strengthen and provide policy guidance for mainstreaming gender in the country in ways that support effective decentralisation. The institutional mechanism created through this component, have been instrumental in influencing policy reforms and implementation at local government level as well as within the district planning system.

5.1.5.10 Replication of the approach by Government and/or other donors

Finding 8: The government has effectively committed itself to replicating best practices of gender mainstreaming, through implementation of the National Gender Policy as well as the National Action Plan on women.

DDPII enabled the process of finalising the revision of the National Gender Policy as well as auditing and revising the National Action Plan on women. The fact that this policy has a plan and budget as well as availability of MoGLSD to coordinate the implementation, is a positive indication of how the government is supporting various ways through which best practices of using this policy and action plan can be replicated within the country and promoted at local government level. The Ministry of Local Government has also made gender a component of the performance monitoring tool. Thus generation of data and information that can be traced over time and best practices can

be replicated in other districts.

In terms of the donors, the Decentralization Development Partner Group, indicated to the evaluation team that they are glad about the “piloting initiatives” which UNCDF takes and were willing to consider “an innovative and bold” proposal on a number of strategic areas. Such support would enable UNCDF to work on demand driven and need-based innovations that can be piloted in the country. The current themes and lessons learnt from DDPII can therefore be linked to future proposals that can be developed for the way-forward as well as replication activities.

5.1.6 On Strengthening the Administration of the Local Courts

The objective of this component was: To strengthen the administration of the Local Council Courts in order to improve the administration of local justice, thereby promoting good governance at the grassroots level. The expected outputs were: local council courts strengthening strategy developed and disseminated; operational guidelines for local courts proceedings introduced and tested; capacity of local Government for justice improved; community members sensitized on roles of and responsibilities of Local Courts system of local justice.

5.1.6.1 Overall Finding

We concur with the Mid-Term evaluation that, of the four programme components, this was the most successful. The justice sector had not received much attention before the programme, therefore, the component was ground breaking; it achieved its overall objective; the outputs have been delivered; the results are easily and cheaply sustainable because the courts are seen as an integral element of society and state evolution. Like all the other components though, the courts face a number of challenges, the most important of which is the demand for training that the component has generated.

5.1.6.2 Progress in terms of timely achievement

Finding 1: This component has achieved its overall objectives in a timely manner. Our findings, therefore, concur with those of the monitoring reports and the Mid-Term Evaluation.

Local Council Court Strengthening Strategy developed and disseminated: This strategy was developed towards the end of 2003 and translated into five local languages. The strategy revolved around the development of the local council’s operational Guides and a Training Manual for trainers on how to use the Guide.

Operational guidelines for Local Council Court proceedings introduced and tested: The Guides were developed and tested, translated into 9 local languages and 40,000 copies distributed to local council courts in the six districts where this component was being piloted. The guides are comprehensive and cover such aspects as; areas of court jurisdiction, court proceedings, record keeping and financial management.

Capacity of Local governments for local Justice improved: This has been achieved through training. The training strategy was a district based TOTs programme. The trainers would then train local council courts officials. The TOTs Manual was produced and in 2004, 36 TOTs were trained, and they, in turn trained just over 36,000 local council court personnel between January and June 2004. The trainees came from 3,675 local council courts in 80 sub counties, 360 parishes 3200

villages in the six districts. The training of the local council officials would last two days per group.

Community members sensitized on roles and responsibilities of Local Council Court System of local justice: This was done through radio programmes that were broadcast for 66 days in tandem with the training of the local council officials.

Our field work found evidence that the component has not only achieved its objectives but has also had a positive impact. Our discussions with key informants, groups and examination of records at the district, sub county and the village levels revealed that: the courts are active in spite of the legal problems they have had over the delayed elections at the LC1 and LC2 during the 2006 multi party elections; those court members who have been trained highly appreciate the training they have received; the guides have increased operational legitimacy of the courts; court members understand their roles, jurisdiction and procedures; courts maintain records; court members are enthusiastic about their roles and display a high degree of citizenship; courts are viewed not in the narrow sense of conducting litigation but in the wide sense of promoting social harmony through arbitration, reconciliation and conflict management; courts are playing a key role in promoting local good governance and good citizenship.

5.1.6.3 Alleviating programme-related dimensions of poverty

Finding 2: The courts have facilitated poverty alleviation in a general sense, though not necessarily in any particular sense.

The general response to this issue was that the courts are cheap and, therefore, affordable to the poor; are mostly inclined towards arbitration rather than imposing fines, thereby making them more attractive to the poor because the poor fear fines; are less feared by the poor because of their less formal approach to issues; and they take less time than formal courts to deliver judgment, thereby, releasing the poor to organize their livelihoods. In summary, we were told that the courts are “pro-poor” by virtue of the types of cases they hear and their procedures.

5.1.6.4 Access to services

Finding 3: The courts have improved access to judicial services at the local level and also at the district level.

Though it was difficult to quantify the extent to which the courts have improved access to judicial services at the local and district levels because of the no- systematic manner in which the records are kept, we were informed by all our key informants and group discussants that the number of cases coming before the courts is increasing. Further, the records showed that the cases coming before the courts are of the type that would take long to be heard by the formal judicial system *because they are many in numbers and, on the surface, not urgent.* Typical cases are about: animal trespass, wife/husband battering; excessive drinking by husbands; child abuse/molesting; land boundaries disputes; land ownership disputes; etc. The cases are now increasingly being disposed of in these courts, thus decongesting the formal judicial system, thereby also increasing access to judicial services in the formal system.

5.1.6.5 Achieving more equitable participation and distribution of benefits across gender, ethnic, socio-economic groups

Finding 4: The courts have, to some extent, facilitated more equitable participation in the

delivery of judicial services, especially across gender lines.

Any local resident can afford to bring a case before the courts. Further, The Local Council Courts Act, 2006, has formalized what was already being practiced by the courts in requiring women friendly procedures. Thus: at least two of the five court members must be women; the courts cannot commence business until at least two women have arrived; the courts do not sit on market days and Sundays. The overall effect is that they have brought women into the indigenous justice system, which in all African societies, is a male domain. Furthermore, as one respondent put it, “rural women fear the modern courts but they are very comfortable with the local council courts.”

5.1.6.6 Management of natural resources

Finding 5: Analysis of the types of cases coming before the courts shows that the courts have not yet managed significant achievement in the management of natural resources but have the potential to do so.

New areas of community jurisdiction such as management of community forests and wetlands are likely to emerge in the future, thus providing the courts with a role in the management of natural resources.

5.1.6.7 Influencing policy reforms that support effective decentralization

Finding 6: The courts have influenced some policy reforms that have an effect on effective decentralisation.

The local courts component informed the formulation of the 2006 Local Council Courts Act, especially in the redrafting of the Act. The Act which took five years to get through, creates the legal basis for the courts and also details all the elements of the courts such as; establishment and composition of the courts; operations of the courts, including territorial and legal jurisdiction; rules of procedure; remedies and appeals. From a societal perspective, the courts have now become so entrenched in society that it is difficult to conceive of a society-based decentralization without them.

5.1.6.8 Replication by government and other donors

Finding 7: The government has effectively decided to replicate the local courts component by institutionalising the lessons learnt through the pilot but no donor has firmly committed themselves to support the replication.

The government has committed itself through the 2006 Local Council Courts Act. With regard to donors, at least one development partner – the UNV Human Rights Project- has incorporated materials developed under the local courts component into its activities in four districts. Austria, which supports only this component of DDPII programme, is interested in the courts’ roles in reconciliation in northern Uganda where fighting has been going on for a number of years. The UNDP is already supporting local courts in the conflict affected northern part of the country as part of the UNDP five-year Country Programme Action Plan, as well as the Justice, Law and Order Section. UNDP support includes training and provision of relevant materials/literature.

5.2 Sustainability of Results**5.2.1 Overall Programme Finding:**

Finding 1: Nearly all the activities of the different components are sustainable and some of them are actually already being sustained through government policies.

5.2.2 On Co-ordinated Participatory Planning and Budgeting

The results of participation component have already been deemed sustainable by their inclusion in policy documents. Furthermore, within the broad policy frameworks, there is evidence that the key donors would be willing to consider support for sustainability. In addition, the results of the pilot have been extensively documented through monitoring visits and studies of best practices, most of which the evaluation team had occasion to look at.

A remaining challenge to sustainability, however, is that a lot of program efforts went into setting up planning capacity and guidelines and no effort was put in providing factors that would sustain people's interest to participate in grassroots planning processes. For example, factors that would mobilize more development resources into local governments planning framework; or increase LLG's access to central government conditional grants; or provide the necessary entry points for non-state partners into LLG budgeting and planning processes; etc.

5.2.3 On Local Revenue Enhancement

There are strong indications that the pilot results will be sustained through both government and donor efforts.

5.2.4 On Gender Mainstreaming

There is likely sustainability in the longer term of systems, impact on policy and replicability, and in terms of benefits at the community level. The results of the pilot are sustainable, especially in terms of skills and commitment but the financial sustainability needs strengthening. There are also factors that might have negative effects on the sustainability.

The strengthening of the relationship between the MoGLSD staff and the district staff that was made in the pilot has enabled creation of follow-up plans and proposals that can address the gaps in the programme in ways that can keep the two partners working together. The capacity built through skills acquisition is being sustained through continuous utilisation of the Information, Education and Communication materials that were provided by the MoGLSD. The MoGLSD equipped the Community Development Offices in the districts visited. The computer knowledge and skills built with the district staff was a timely intervention that contributed to the sustainability of efforts of this department in order to enable effective undertaking of plans and activities for gender mainstreaming.

Most of the CDOs whose capacity has been built, are now able to work on innovations that could be used to link their offices and the other district departments. Kabale district for example, had initiated a system where each department at the district had a staff designated as a gender focal person, to act as the key person on gender issues in that particular department. The evaluation team was able to read the communication from the CDO to the CAO on this issue.

The electoral cycle is a major challenge to sustainability in that elected local leaders hold elective offices. When and if they lose during elections the knowledge goes with them. Then the district capacity building mechanism has to start afresh to train the new office bearers. Although this still empowers the communities of which where the former leaders are members, it nonetheless constrains the capacity sustainability of the local government and their operations.

Leadership and advocacy skills provided through the gender structures, such as Gender Forums at have strengthened the capacity of districts through influencing policy decisions in ways that provide a channel for making gender a priority in national and local government planning. However, incorporation of such capacity into local government financing system has not yet been realized. This threatens sustainability of these institutional structures after DDPII.

5.2.5 On Strengthening the Administration of the Local Courts

The results of the pilot are sustainable financially and socially though there are several factors that might have negative effects on sustainability (see also 5.3 below).

The local courts component was the least funded of the four components. Thus, even in the districts where the component was piloted there are numerous unfinished activities including, extending the training to more officials, making the guides more widely available in local languages, offering refresher training, etc. However, the pilot results are sustainable for a number of reasons. One, the institutional framework for their sustainability is already in place as result of the pilot. Two, training of local courts personnel is the most financially demanding of all the activities under this component. Even then, the cost of training was estimated at Ugandan shillings 2000 (just under US\$ 1.20 per person trained for two days) which makes the training fairly inexpensive. Three, new local courts guidelines are already in the process of being developed in line with the new Local Council Courts Act, 2006. In addition, the Ugandan constitution is being translated into local languages. The new guidelines and the translated constitution will both facilitate the sustainability of the pilot results. Four, under the Decentralisation Policy Sector Framework that gave rise to the Local Government Sector Investment Plan- LGSIP- investing in the courts is included under “capacity building” and “information dissemination”. Five, The courts have positioned themselves to become a funding conduit for the Ministry of Justice, which already expresses strong support for strengthening the courts.

Socially, the pilot results are sustainable for four reasons. One, the guidelines and the training have increased the demand for both, inside and outside the pilot districts. Two, the courts are viewed as societal institutions. As such, any efforts to strengthen them will enjoy wide societal support. Three, the benefits of the courts are readily identifiable by the ordinary local people and this matters a great deal. Four, both the state and society are committed to the sustainability of the courts in general, because they are an integral element of recent political and social development in Uganda, beginning with the coming into power of the National Resistance Movement in 1986.

Even then, a number of factors are likely to have negative effects on the sustainability of the pilot results. These are covered in section 5.3 below.

Finding 2: Donor Support

We did not make any specific finding on specific donor support for the sustainability of this component as such, except for Austria which supported only this component and which has an interest in seeing replication take place in the northern part of the country. However, a number of donors, including the Netherlands and DANIDA support the Justice, Law and Order Sector which also supports the courts. The courts could also be supported using the LGSIP as a vehicle, now that they are included in the LGSIP. One potential donor, though, the DFID is withdrawing from decentralization in order to concentrate on poverty eradication programmes. But the Donor Decentralisation Group did indicate willingness to consider a proposal from the UNCDF that is

“bold and innovative”. Presumably such a proposal would include this successful component.

Finding 3: Appropriateness of UNCDF exit/further engagement.

It would be inappropriate for the UNCDF to exit from this component at the moment for a number of reasons. One, the component is the most successful of all the four components and, therefore, the one likely to be most successfully replicated and sustained for the reasons cited above. Therefore, the UNCDF should be available to provide the catalyst for further innovations in the replication process. Two, the emerging decentralization strategy as spelt out in the LGSIP and other policy frameworks appreciate the role of continued partnerships and innovative approaches of the kind that the UNCDF has been helping to pilot. The other donors in Uganda are also looking for innovative approaches of the kind that the UNCDF has become known for world wide. Three, the UNCDF has accumulated rare expertise in decentralization which it could avail to Uganda as the country tries new decentralization strategies. Four, as indicated earlier, this component, in particular, has generated a great deal of demand from the people.

5.3 Factors Affecting Successful Implementation & Results Achievement

5.3.1 Overall

No single type of factors can be singled out as affecting successful implementation and results achievement. Each of the components demonstrates that both the external and programme factors have affected successful implementation and results achievement positively and negatively, with the negative effects constituting the on-going challenges that will have to be addressed in successor programmes.

5.3.2 On Co-ordinated Participatory Planning and Budgeting

A number of factors have affected the implementation of the component in a positive way but challenges remain. The positive influences include: the visible policy commitment to participation through decentralisation; existence of participatory mechanisms at all government levels; the very positive role played by the MoLG in implementing the component; sensitization of the people on the need for them to participate in planning; the fact that people are beginning to see some benefits of participation; and monitoring and documentation of lessons and issues emerging from the pilot. On the challenges side: Lower Local Governments still find many of the concepts carried by the HPPG to be alien. Concepts like livelihood, poverty, and environmental analyses, could not easily be understood by staff and politicians at lower local governments; the guides were also criticized for lacking adequate provisions for monitoring and evaluation issues; the HPPG was not available in local languages; the planning cycle reflected in the HPPG was found to be too repetitive and contributing to planning fatigue. The cycle which commences in July of every year takes 11 months out of each financial year leaving just one month for implementation “before embarking on planning again”. Many planners have questioned the value-added of this repetitive rolling planning cycle since, in many cases, changes in both community needs and/or situations do not occur so frequently.

In addition to the above:

- Inadequate resources for planning at Lower Local Government levels have limited the effective use of HPPG as a planning tool. Most local governments complained of inadequacy of both financial and human resources to facilitate a full participatory process implied in the

HPPG.

- Lack of consistence between development plans and budgets at lower councils has not been fully addressed. Thus, there is a big mismatch between annual budgets and development plans as a big part of lower local council priorities remain unimplemented due to funding limitations at this level. The evaluation observed only three major sources of development funding in all Lower Local Governments visited⁹, which altogether raised not more than (the equivalent of) 50,000 USD per annum.
- A key challenge in achieving practical coordination between development plans and budgets in lower local councils remains the inadequate devolution of sector budgets beyond the District level.
- A key handicap to equitable participation in planning in LLGs remains the slow progress in fiscal decentralization. The planning and implementation of sector programmes is highly top-down and does not therefore allow adequate participation across gender, ethnic and socio-economic groups.
- There is still clear gap in policy facilitation arising out of lack of a comprehensive national planning framework which can legally and officially facilitate the flow of priorities from the village to the national level. Consequently the planning function is still not deep enough nor is it adequately coordinated.
- As mentioned earlier, there is little evidence of private sector and Civil Society participation in Local Government planning and budgeting. In addition we were able to establish that many village level priorities are lost on the way up.

5.3.3 On Local Revenue Enhancement:

A number of factors have influenced achievement of programme results positively, most of them to do with the timely undertaking of the project activities. However, as pointed out earlier, the development objectives of enhancing revenue and alleviating poverty have not be achieved. The explanation for this is to be found in the component design and external factors.

5.3.3.1 External positive factors

A number of external factors, some of them general others specific, influenced achievement of the different component results. First, there was a very strong will on the part of local government officials to engage in Local revenue enhancement activities. A policy guideline, which restricts payment of allowances and emoluments for councillors to a fixed percentage (at most 20%) of local revenue, provided high motivation to local politicians to participate in local revenue enhancement activities. Secondly, a supportive legal framework giving local government wide scope powers and responsibility to raise local revenue facilitated implementation of best practices by Local Government. Thirdly, linkage with the LGDP provided further incentives for compliance as existence of local revenue enhancement plans is one of the performance conditions that are

⁹ These included the Local Government Development Programme (LGDP), the Plan for Modernisation of agriculture (PMA) and Local Revenue sources.

assessed annually by ministry of Local Government before disbursement of LGDP funds. Finally, abolition of graduated tax in 2005 increased momentum in local governments to find new alternative sources of revenue to replace it.

5.3.3.2 External negatives

As already stated, the component worked against a number of external shocks which had negative influences over the component results. Key among these influences were the political pronouncements which saw a number of local taxes and levies abolished mainly for political reasons; secondly, the general poverty amongst tax payers and national hazards like drought and animal diseases were the other external factors which negatively affected the impact of the component interventions; thirdly abolition of graduated tax also made a big proportion of the best practices and guidelines irrelevant as most of them were designed on the basis of this source; fourthly, corruption and accountability flaws in Local procurement processors curtailed the benefits from public- private partnership in revenue generation; and finally, the low level urbanization limited application of property tax as a substitute source of local revenue.

5.3.3.3 Programme positive factors

A number of design factors influenced positively the achievement of component results. They include the following: One, the involvement of the LGFC, which is already an institution responsible for policy advice and advocacy on Local Government finance matters facilitated the link of the component results to policy dialogue; two, the focus on gender inclusiveness has led to a high recognition of the vital role of women in revenue generation; and three, the involvement of local government institution as executing agencies for best practices has increased local ownership of these initiatives and guidelines rather than seeing them as directives from above.

5.3.3.4 Programme negative factors

At the same time, some design shortfalls have had negative influences over the component results. The major design weaknesses noted include the following: First, the component concentrated on collection as opposed to both productivity and collection; secondly, the component concentrated on capacity building leaving out direct support to Local Government to effectively implement the capacities acquired (for this reason most Local revenue enhancement plans have remained unimplemented); thirdly, most Local Revenue Enhancement innovations were perceived to be regressive since they focused on low income tax payers; and Fourthly, there was inadequate policy advocacy at the national level, consequently local revenue has been a subject of interference by national politics.

The issue of the revenue base cannot be overemphasised. A basic underlying factor influencing success in local revenue mobilization is a strong economic taxable base. Experience from this component confirms that the potential of all local revenue sources, even if all revenue is collected efficiently and innovatively, is unlikely to yield sufficient revenue to cover service needs of local governments.

However, as seen in Table 4, the evaluation saw some progressive trends in local revenue generation in urban local governments which can largely be attributed to a stronger economic base in these local governments compared to rural local governments. In the urban setting most people are commercially active, and there is a strong pressure to pay taxes (because the cost of not doing so, in the terms of interruptions in business operations, is far higher). In Ntungamo Town council, it

was also reported that because the urban council is a small and close-settlement community, people can always see what the money is used for.

Table 7: Comparison of Local Revenue Enhancement Results between Rural and Urban Local Governments (Ntungamo District and Ntungamo Town Council)

	FINANCIAL YEAR			
	2002/3	2003/4	2004/5	2005/6
Local Government				
Ntungamo District	1,073,828,000	992,136,000	862,777,765	129,336,853
No. of sources	11	11	13	14
Ntungamo Town Council	101,022,028	235,985,552	175,981,599	180,463,344
No. of sources	26	29	27	27

Source: Own field survey

There were more local revenue sources in urban councils than in the rural local governments. Thus, abolition of graduated tax in 2004/5 did not severely affect Ntungamo urban local government. Hence, it did not experience a sharp drop in revenue after GT was abolished.

5.3.4 Gender Mainstreaming

Overall, as in the other components, the successful implementation of the gender component has been affected by both external and internal factors, but in this case, external factors seem to have had more influence.

5.3.4.1 Positive External Factors

The major external factor that has affected successful implementation of results is the existence of an elaborate gender policy and a political environment that is supportive of the policy. The positive effects of the two are evident in all local government levels.

5.3.4.2 Negative External Factors

The major external factor that has had a negative effect on implementation is the low level of implementing planned activities. This was evident at all local government levels. A second factor is that, in nearly all districts visited, traditional cultural practices still hinder gender mainstreaming in that some cultural practices are not conducive to women's participation in activities outside the homestead.

5.3.4.3 Positive Internal Factors

At the programme level, the component has managed to establish the necessary institutions, which in turn, have enhanced gender consciousness. The net effect is that gender mainstreaming is no longer regarded as an "alien" issue in any of the districts visited.

5.3.4.4 Negative Internal Factors

The evidence indicated that internally, the programme lacked the means to ensure that plans are translated into actual activities. This is partially a budgetary issue and partly an advocacy issue.

5.3.5 On Strengthening the Administration of Local Courts

Overall, there are four types of factors that influence the successful achievement and

implementation of this component. These are external positive factors, external challenges, programme positive factors and programme challenges

5.3.5.1 External positive factors

The pilot tapped into several inter-related external factors all of which have influenced the results achievement in a positive way and which will have a positive effect on the sustainability of the pilot results. One, the local council courts already enjoyed historical legitimacy before the entrance of the programme. Two, the courts enjoy strong cultural legitimacy because they have recognisable linkages with the traditional elders courts, which still exist. They are, therefore viewed as organic and authentic institutions. In this respect, we found out that the local council courts have been known to convert themselves into the traditional courts when necessary and convenient. Three, the courts themselves tapped into an existing need or as one interviewee put it “they were spot needed, therefore no persuasion was needed to have them accepted”. According to another interviewee, “given the little budget support for the formal justice system, the courts provide not necessarily justice for all, but at least some justice for all.” Four, the courts are not only delivering a service but are also seen to be delivering it, a situation that was enhanced by the sensitization activities of the component. In this way, the courts continue to harness the good will of society as evidenced by the increase in the number of cases coming before them. Five, the courts have a much broader view of justice as not just litigation, but also arbitration, reconciliation, conflict management and promotion of social harmony. They are, therefore, seen more as social institutions than simply judicial institutions. One discussant summarized this point rather well when he observed that “we prefer the local courts because, unlike the modern courts, they allow negotiation”.

5.3.5.2 External challenges

The pilot ran into a number of external challenges that have had some negative effects on results achievements. One, the fact that court members are also elected politicians means that the courts lose trained personnel following each election. (The new LC3 courts have taken care of this problem by excluding elected politicians from membership of the courts). Two, court membership is on a voluntary basis, which raises the issue of whether there should be some limit to volunteering in light of the increasing time demands that the courts are making on the members. The courts sit at least once a week and hear on average, four cases at every sitting, each case lasting about an hour. Some of the more complicated cases can take up to three months to conclude. This is a major cost to the court members. The members told the mission that some “facilitation” should be provided in the future. Three, a few of the courts are being influenced by societal pressures, including family and political pressures. It was, for example, pointed out that the courts are not fully conversant with the new multi-party politics. Four, the courts have little, if any, interaction with the formal justice system from which they can get invaluable mentoring and vice versa. Thus, the supervision they are expected to get from the Chief Magistrate 1 is rarely provided, court members are not invited to seminars by the “learned “ fraternity, and the courts have no interaction with the Uganda Law Society thereby denying members of the Society a chance to improve their knowledge of customary law. Five, At the District and sub-county level there is no budget line item for local courts, a factor that might also negatively affect the sustainability of the results. Six and related to five, the courts have little synergy with the planning and revenue component, though they have some synergy with the gender component. This is partly an external negative effect in that, with regard to planning, for example, the courts operate way down stream in the planning

hierarchy.

5.3.5.3 Programme positive factors

On the whole, the design has facilitated rather than hindered results achievements. A number of programme factors have had a positive effect on achievements. One, as indicated earlier, the pilot sought to tap into existing institutions and practices. Two, the pilot correctly identified training as the key input in the capacity building of the courts, rather than some other input such as provision of equipment. Three, the pilot adopted the correct training strategy- TOTs-, which made the per capita cost of training quite low. Four, the village as the key entry point of the component, created an immediate identification with the people. Five, placing the component within the Ministry of Local Government, rather than the Ministry of Justice, underscored the grassroots nature of the courts and at the same time eliminated any potential conflict between the courts and the formal justice system.

5.3.5.4 Programme challenges.

The factors that have negatively affected results achievements have had less to do with the initial design than with unfolding dynamics of the pilot. However, a number of design issues have affected the achievements negatively. One, institutionalization of TOTs was not built into the design, in such a manner as to make it a formal responsibility. Two, the design did not take into account political dynamics such as personnel turn over due to elections. As a result, continuous training was also not built into the design. Three, the design made little provision for exchange of experiences within and between geographical and jurisdictional boundaries. Consequently important lessons are being lost. Four, the design did not provide for adequate monitoring and mentoring at the district level. Five, related to three and four, the design should put some emphasis on information retrieval. We observed that most of the records are kept in hand written “black books” that are kept by the courts chairmen and that are not in a form that can be passed from one court to another.

5.4 Partnership and Strategic Positioning

Having helped to set out a national decentralisation strategy out of its interventions in the first DDP phase, UNCDF chose to emphasize capacity building and development of sustainable systems in DDPII. Capacity building was to be done via building strong linkages between government ministries, other donors, NGOs, and community structures to enable them build their own skills base and develop their own capacity to manage a decentralized program for poverty eradication.

The evaluation observed that capacity building was, and still is, a critical aspect of Uganda’s decentralization process. Government has considered capacity building in a broader framework whereby a number of initiatives have been undertaken to address capacity gaps in the decentralization process. The Capacity Building Grants (CBG), which is a component of the LGDP2; the Support to MoLG capacity by DFID, DANIDA and the World Bank; the Support to Decentralization in Uganda (SDU), which is funded by USAID, etc are some of the major initiatives that were running at the time of designing DDPII. The validity of UNCDF’s strategy in supporting capacity building in the second DDP was therefore assessed in relation to these other capacity interventions taking place in the country and it has been found that UNCDF’s choice to concentrate on addressing the missing links in a broader capacity building framework was highly relevant. Such missing links included providing support to LGs to access the key tools and guidelines they need to

EVALUATION REPORT

operationalise participatory planning, revenue enhancement initiatives, and Gender mainstreaming; mobilizing inter-agency cooperation to facilitate effective participation by different actors; and development of grassroots institutions like courts, which had not been targeted by any of the other capacity building initiatives, etc.

5.4.1 The Role of the Ministry of Local Government of Uganda (MoLG)

The four programme components were coordinated by the Ministry of Local Government (MoLG). This was done through PCU and the Project technical Committee. The overall evaluation of the role of the MoLG in coordinating the programme was positive. The overall conclusion of the team was that the management structures have been functioning quite effectively and provide good lessons on the role of the Ministry of Local Government in championing decentralization. Though a number of challenges were noted, among the achievements were:

- Role of the Ministry of Local Government (PCU) was perceived as key in enabling the program to feed into the decentralization policy lessons generated.
- Program management conformed to the philosophy of decentralization as it is the only programme where the Ministry of Local Government approves what other line ministries are doing. This way, the coordination role of the Ministry was piloted.
- The role of the Local Government Commission, as the top government advisor on local government financing, was viewed as a positive node for transmitting lessons learnt on local government financing from the program to the policy arena
- The Project Technical committee was the most appreciated structure.
- The seniority of the component managers in the ministry hierarchy was viewed positively.
- The programme has enabled the piloting of operational linkages between central government ministries for example through the creation of Gender Focal Persons.

The major challenges were:

- Districts are not directly involved in the management of programme funds;
- Districts are not aware of the resources envelope in advance in order to include these in their planning;
- Infrequent feedback and mentoring to districts by the centre;
- Occasional delays in funding has affected smooth running of activities; and
- Unavailability of project reports (to UNCDF) in a timely manner.

5.4.2 The UNCDF as Partner

The choice of UNCDF to coordinate the DDPII programme with Ministry of Local Government (PCU) has given it a strong strategic position and the implementation mode used for DDP2 provides a lesson on division of tasks where component managers deal with management of the activities and the Programme Management Unit coordinates the programme.

There is further evidence that UNCDF has maximized its comparative advantages in piloting new ideas and resource mobilisation. The DDPII was successful in mobilizing other partners beyond

EVALUATION REPORT

those that committed resources to the project at programming. However, the partnership with local governments did not function very well. The Local governments were left to be implementers without coordination and resource control. This constrained ownership of the activities and outputs by local government. It has also stimulated forms of sustainability challenges that would have been addressed through incorporation of activities and results of the DDP2 into future financing from local government budgets. Future work on DDP will require the components to be managed from the local governments and establishment of effective reporting system as well as accountability.

The need for UNCDF to work more closely with UNDP is now more evident than before. This is for both operational and strategic reasons. Operationally, it was noted that UNCDF's country office which has had a very small establishment is likely be more effective with more integration of management and resource mobilization approaches between the two. Strategically, although it has been said that the role of UNCDF in piloting new concepts for deepening decentralisation was generally appreciated by ministries, donors and local governments, there is still a lot to gain by integrating with the bigger UNDP because this will give UNCDF a stronger platform in the national policy dialogue which is so critical in a policy-oriented programme like the one promoted by UNCDF. More piloting on, for example, the relationship between decentralization and local economic development is needed and UNDP/UNCDF are strategically positioned to undertake this.

Nonetheless, to maintain an active link to policy discourse, it is also recommended that UNCDF increases its role in documentation and dissemination of field experiences as well as its participation in policy discourse at national level. This will therefore call for an increase in the core staff at UNCDF country office.

5.5 Specific Contribution and Future Role of UNCDF

5.5.1 Specific Contribution of the UNCDF Staff as a Factor

One of the factors that will determine the future of the UNCDF role in Uganda is the current specific contributions of the UNCDF personnel. *Our overall finding is that although there is only one professional UNCDF staff in Uganda, the staff has managed to make notable contributions, albeit with a few frustrations.*

5.5.1.1 Coordination of Local development Funding

UNCDF staff has been a member of the Technical coordination committee of the Ministry of Local government. This Committee is responsible for overseeing the implementation of the Local Government Development Programme (LGDP), the District Development Programme (DDPII) and the District Support Programme. The committee is crucial in guiding and directing this investment-oriented programme in all local governments in Uganda. UNCDF's niche in capital/ infrastructure development as well as its prior experiences in locally managed development programmes (from DDPI) has yielded great contributions to the committee.

5.5.1.2 Documentation of Best practices

The UNCDF staff had been instrumental in making the case for the documentation of best practices in the pilot areas. Through documentation of these best practices from a number of decentralisation programmes in Uganda, UNCDF staff and consultants have offered instrumental services to the decentralisation process in Uganda. In addition, UNCDF staff has supported

information sharing and networking with other players in the sector

5.5.1.3 Participating/Contribution to national budget discussions and policy dialogue for decentralisation

UNCDF staff has contributed to national budget discussions for Uganda's decentralisation process as well as general policy dialogue through the Decentralisation Donor Partner Group (DDPG). The DDPG plays vital roles in allocation of resources to the decentralisation process by operating through the Public Sector Working Group (PSWG), which is the formal government-donor budgeting forum where annual budgets for administrative sectors are discussed before approval by parliament. At the decentralisation sector level there is evidence of UNCDF's participation in the formulation of the medium term decentralisation policy framework and the 10 year Local Government Sector Investment Plan (LGSIP).

5.5.1.4 Monitoring and Evaluation of decentralisation process

The official M&E process for the decentralisation process in Uganda is the Joint Annual Review of Decentralisation (JAR), an event which has increasingly gained momentum, especially through its connection to the annual review of the Poverty Eradication Action Plan (PEAP). Donors involved in decentralisation and the MoLG participate in JAR. UNCDF staff has been a major contributor to the JAR process as well as to the PEAP annual review.

5.5.1.5 Decentralisation Policy advocacy

Overall, UNCDF has engaged in advocacy of innovative decentralisation practices through the operations and work of DDPG. This role has also been played through project-related interactions with ministries and local governments. However, advocacy is a role that is still not fully developed in that it was observed during the evaluation that the interconnectedness between piloting and advocacy/ lobbying roles of UNCDF need to be further strengthened and pursued.

5.5.1.6 UNCDF staff has provided Technical Backstopping to key government agencies implementing decentralisation

This has been mainly through the interaction of UNCDF staff with component managers at the ministerial levels as well as local government staff implementing different programme activities.

The above specific contributions have, however, come with some frustrations, two of which were emphasised. These are:

- Some interventions take long to be appreciated and supported by other developing partners working in the same sectors as UNCDF. For example, it took long for the Justice, Law and Order Sector (JLOS) development partners to appreciate the role of Local Council Courts and to provide funding in the sector budget. The funding for the sector is still very limited and this has hindered implementation of planned interventions.
- Although the personnel in the Ministry of Local Government Project Component Unit have skills and expertise in decentralization, local development and governance, they are very few in number. This has created a gap in effective supervision, mentoring and monitoring and evaluation at the lower local government levels, a situation that is a source of frustration for everyone.

5.5.2 National Decentralisation Trends and the UNCDF

In all, there is a clear future for UNCDF in the decentralisation process in Uganda because, although a lot has been achieved in the form of increased services, infrastructure, and capacity, there are still many outstanding challenges. These include declining local revenues and insufficient allocation of funds to local government in view of the services devolved to them; inadequate focus put on local economic development; ineffective maintenance of social investments by local governments; emerging new challenges with local governments in northern Uganda coming out of conflict; limited capacity limitations of local politicians which make it difficult for them to carry out their roles and responsibilities effectively; a growing challenge of new districts that are being created from time to time causing new demands for capacity building and systems development; etc.

In principle, decentralisation is still a high priority in Uganda and the evaluation observed a strong commitment from development partners to decentralisation. It has been found that, although there have been recent developments arising out of administrative and political directives, which have tended to recede some of the progress in decentralisation in the country, the general inclination within government and donors is to strengthen the role of local governments in service delivery and governance.

As noted earlier, the government has adopted a Decentralisation Policy Strategic Framework (DPSF) aimed at addressing the key challenges and providing opportunities for deepening decentralisation and, to actualise this strategy, a ten year Local Government Sector Investment Plan (LGSIP) has been designed by the ministry of Local Government in collaboration with donors operating in the Decentralisation Donor Partners Group (DDGP).

This LGSIP underscores the continued commitment by the government to the realisation of a strong local government system capable of effective and efficient service delivery and improved well being of the population through sectoral collaboration mechanisms and initiatives. It contains the sector programmes that are linked to the Medium Term Expenditure Framework (MTEF).

Hence, it is logical to conclude that the future UNCDF role will be strategically relevant to decentralisation only if it is rooted in the LGSIP. However, it is also clear that continuation of some of the current thematic areas where UNCDF has demonstrated a strong niche as in gender mainstreaming is also highly feasible.

It is also important to highlight that, though a structured plan, the LGSIP is not a very rigid framework and, therefore, gives room for continued experimentation and piloting of new concepts. As a matter of fact, all partners in the LGSIP thought that it was still relevant for UNCDF to undertake piloting of bold and innovative ideas to support implementation of the LGSIP. Areas of local economic development (and particularly microfinance), civic participation and local justice were some of those recommended for continued UNCDF experimentation. Uganda's future devolution is likely to demand more innovative approaches, some of which have already been piloted under UNCDF.

Also worth noting is the new Local Economic Development (LED), strategy of the government. LED seeks to anchor decentralisation in local economic development in order to “feed the cow” that generates revenue. Though this programme will require investment resources beyond those available from any one development partner (for example in promoting micro-enterprises), the UNCDF has already contributed to laying the groundwork for this through DDDII and can continue strengthening the existing institutional frameworks and processes in order to facilitate LED.

6. LESSONS LEARNED

Overall, a number of policy and project management lessons have been learned from the DDPII. These are both policy-oriented as well as programme-level lessons, originating from the design, implementation and coordination of the project.

6.1 Policy Lessons

6.1.1 Partnerships and Collaborations Strengthened To Enable Effective Implementation Of Decentralisation

Planning and implementation of DDPII has been effective through contributions of skills and financial resources obtained from collaboration and partnerships with stakeholders. The existence of methods and processes used for such collaboration and partnerships provides further enhancement of capacity for the implementation of decentralisation. Information sharing and advisory discussions help to strengthen the relationships of these partnerships in ways that provide a sense of belonging and ownership of results. The relationship between UNDP, UNCDF and MoLG has provided a good example that other decentralisation programmes can look at for best practices from DDPII.

6.1.2 Intergovernmental Collaboration to Strengthen Decentralisation and Replicate Methodologies in Local Governance

Establishment as well as strengthening of intergovernmental collaboration with local governments, has been a key lesson learned in DDPII. The gender mainstreaming component shows examples of the collaborations which the MoGLSD set up with sector ministries and included institutional arrangements that are operating through gender focal points. The MoGLSD also worked through collaborations with the local governments and strengthened its links with the Community development departments and planning units. The capacity built within the MoGLSD together with the collaborations made within government ministries as well as with local government have strengthened the implementation of the gender policy through decentralization structures and sector ministries.

6.1.3 Enhancing the Championing Role Of The Ministry Of Local Government In Promoting Decentralisation

One of the lessons that emerge from the implementation modality of the DDPII is that the programme has demonstrated how, in future, the championing role of the ministry of local government could be enhanced. The project has provided insights on how the ministry of local government can coordinate other ministries in facilitating deeper decentralisation. For example, DDPII managed to break the traditional vertical accounting procedures of government in Uganda by creating inter-ministerial financial and technical linkages.

6.1.4 Using Project Results to Influence Policy Design

By channelling its implementation and coordination modalities through the central ministries and LGFC and the PCU's vigilance in bringing project lessons to the policy drawing board in the ministry of local government, the DDPII maximized its effectiveness in policy influence and provided good learning lessons on how project results can influence policy design. It is globally recognized that influencing policy is a very sensitive phenomenon because policy issues are highly

political and always guarded by government ministries. Hence, for a project to make a breakthrough, it has to meet a number of conditions including, one, a strategic integration of its activities within the mechanisms of ministries; two, attracting cooperation from a number of ministries and donor partners, and three, existence of a vibrant technical coordinating unit to provide the entry point into the policy management bureaucracy. The DDPII has provided good lessons in all these regards.

6.1.5 Balancing Between Process Facilitation and Infrastructure and Service Delivery Support in Decentralisation

Another important decentralisation policy lesson learned from DDPII is that process facilitation and capacity building need a separate focus outside service delivery and infrastructure support. A common challenge facing decentralisation in Uganda is that the demand on resources for services and local infrastructure has tended to overshadow the need for process facilitation. Secondly, the inevitable initial failures met in process development have had negative implications on service delivery outcomes, a factor that tends to frustrate sector ministries and donor partners who are always looking for quick and tangible results. One noticeable lesson from the DDPII is that the project has been operated outside the limitations and the politics of sector grants and other conditions of the national expenditure framework and budgetary regulations. Participating ministries and the LGFC have been able to actively cooperate outside their sector working groups. In addition, donor partners have been able to assign resources to process development outside the strictness of official aid delivery mechanisms (of budgetary support, sector budget support or bilateral project support). The political neutrality of UNDP and UNCDF has been observed to be a very vital element that is conducive to this kind of flexibility.

6.1.6 Making Participation A Demand-Driven Phenomenon In Public Sector Management Is A Prerequisite For Good Governance.

A key learning lesson from the limitations of the participatory planning and budgeting component is that it would be more effective to concentrate on developing grassroots capacity to participate and hence make participation more demand-driven than concentrating on enhancing supply, as is the case today. This is what the UNDP-funded Participatory Development Management PDM of the Ministry of Local government has tried to demonstrate and the lessons gained from that project need to be streamlined in the policy and practice of decentralisation. The lesson is that it is vital for programmes aiming at promoting bottom-up planning processes in Uganda to begin with the bottom. This was one of the major missing links of the DDPII in that the process centred on formal structures of local governments, without much technical backstopping to grassroots organisations.

6.2 Programme Level Lessons

6.2.1 Implementation Mode and Institutional Arrangements

The implementation mode used for DDPII provides a lesson on division of tasks where component managers deal with management of the activities and the Programme Management Unit coordinates the programme. The local governments are left to be implementers without coordination and resource control. This implementation mode has constrained ownership of the activities and outputs by local government. It has also not stimulated forms of sustainability challenges that would have been addressed through incorporation of activities and results of the DDPII into future financing from local government budgets. Future work on DDP will require the

components to be managed from the local governments and establishment of effective reporting system as well as accountability.

6.2.2 Revenue Best Practices Are Necessary but Not Sufficient Measures

The Revenue Enhancement component has provided lessons that revenue best practices provided just the basic measures which were, at best, necessary for local governments to maximize revenue from existing potential sources. However, as seen from the project final impact, these measures were not sufficient to address the gaps in local service delivery and infrastructure development. Evidence from all programme districts indicated that even if all revenue is collected efficiently and innovatively, the potential of all local revenue sources is unlikely to yield sufficient revenue to cover service needs of local governments. This calls on government to address basic questions over local revenue, which inevitably implies looking at the economic base of local governments.

6.2.3 Emphasizing Guidelines in Participatory Planning Before Resources Is Putting the First Thing Last

The limited impact of the project in achieving effective citizens' participation in development planning and management reveals important lessons for the devolution of development management. The emphasis put on promoting civic participation and the guidelines offered have created more enthusiasm and excitement than could be matched with resources and means. The overall result is a growing fatigue and loss of interest in participation as seen in all local governments visited. Guidelines have been issued without matching administrative will and policy action to make central government resources accessible to the citizens. Hence, the latter have questioned the value-added of their involvement. The lesson is that guidelines are more effective when they accompany resources and not when they are introduced without resources. There is evidence that planning guidelines have been most effective only with the Local Government Development Programme (LDGP) because that was the only programme where resources were availed nearest to the common citizens.

The Local Courts component provided three interesting positive lessons. First, a project can be quite successful even with limited funding. This component was the least funded of them all. The second lesson is that projects are more likely to succeed if they tap into existing indigenous institutions and practices. The courts enjoy immense authenticity and support because common people identify them with what they know and have always known. Three, the courts also demonstrate the lesson that projects are likely to succeed if the tap into an existing need and deliver on that need. The courts are likely to perpetuate themselves in one form or another, with or without much external support.

7. RECOMMENDATIONS

7.1 Programme (General)

- Overall Recommendation.
 - Given that: the programme has achieved virtually all the intended outputs; the results of the pilot are sustainable; there is general enthusiasm to have the pilot results replicated; that the institutional and policy environments are supportive of replication, we recommend that the UNCDF continue to pilot either the same or a modified programme in the context of the new policy initiatives as detailed in the LGSIP.
- We recommend that the partnership model piloted under the programme continue to be used, with the UNCDF taking the lead in developing the programme concept and marketing it to potential partners. With its vast experience in local development and decentralisation, the UNCDF has a comparative advantage in this.
- We recommend that for replication and sustainability, the UNCDF and the potential partners continue supporting the same programme components but also incorporate in the new programme, emerging cross cutting issues, such as HIV/AIDS.
- We recommend that a new programme should be designed around the context of local economic development (LED) and that the design deliberately establish links between each of the components and LED.
- We recommend, again for sustainability, that any new programme continue utilising the piloted programme management model because it has worked well, but at the same time, modify those design aspects that have had a negative effect on programme delivery and reinforce those aspects that have had a positive effect on results delivery.
- We recommend that additional programme design features be added in any new programme with the aim of giving a bigger role to local governments in the programme design and management.
- We recommend that the design of any new programme should put more accent on internal features, which the programme can correct on an on-going basis, than on anticipating external impacts, which the programme can do little about.
- We recommend that the UNCDF attempt to source more programme funding to avoid some components of any new programme being under funded.
- We recommend that the UNCDF secretariat in Uganda be strengthened in order to facilitate speedier programme management.

7.2 Component (Specific)

Assuming that a new programme would include the piloted components, we make the following component specific recommendations, with even more specific recommendations for UNCDF.

7.2.1 Participatory Planning

7.2.1.1 One

- National

Speed up the process of developing a comprehensive national planning framework (that has been initiated by the National Planning Authority), which will legally and officially facilitate the flow of priorities from the village to the national level. In order to make this framework adequately responsive to decentralisation the National Planning Authority and the Ministry of Local Government should work together.

- Local

The local governments should systematise the criteria for prioritising projects at all local government levels.

- UNCDF:

The UNCDF & UNDP should consider supporting the piloting of the national planning framework.

7.2.1.2 Two

- National:

Consolidate all planning processes and resources at all levels of government (including sector line ministries) into one universal Participatory Planning process originating in local governments. This will require an intensive policy advocacy at ministries and local government levels.

- UNCDF:

We recommend that the UNCDF consider supporting this activity in collaboration with other partners.

7.2.1.3 Three

- National

Transform the planning system from the current systematic approach which mainly relies on government structures to a more socially-oriented approach based on participatory tools such as those experimented by the ministry of local government and UNDP via the Participatory Development Management (PDM) programme.

7.2.1.4 Four

- National

Revise the HPPG to provide for an increased role of households, villages, and parishes in the planning process as well as a legal and operational framework through which Civil Society and Private Sector Organisations can have a more active role in the local government planning process. This could be facilitated by, among others, recruiting village-based facilitators and using the ToT and mentoring capacities generated in sub-counties. This strategy, (which was used in the training of Local courts), is more sustainable.

- Local

EVALUATION REPORT

Local governments should generate an inventory of local trainers, civil society and private sector organisations who can form the backbone of this process.

- UNCDF

UNCDF and other partners could facilitate this process.

7.2.1.5 Five

- National

Modify the planning cycle to become less cyclic and less repetitive. Specifically, it is recommended that while a deep participatory planning process should be maintained, it should be on a less frequent scale (e.g. once in 3 years) to make it financially feasible, effective in terms of results, and less tiring. This should then be annually followed by a consultative process conducted by Higher and Lower local governments as part of the annual budgeting exercise (e.g. via budget conferences). This will also serve to enhance the synergy between local government development plans and annual budgets.

- Local

Local governments should set aside some resources to lobby strongly for the modification of the planning cycle.

7.2.1.6 Six

- National

A direct link between this DDP component and the UNDP-funded Participatory Development Management (PDM) Programme is recommended. In this case, the Policy and Planning department of the Ministry of Local Government should concentrate on policy-related issues of the project while the PDM office supports the implementation in the field using the experiences and modalities already developed in the pilot districts.

- Local

Local governments should familiarise themselves with PDM programme and methodologies in the first instance.

- UNCDF

The design of any new programme should take this into account. UNCDF can lobby to ensure that this happens.

7.2.1.7 Seven

- National:

A comprehensive baseline database at sub-county and district level should be developed to ease the planning process. This should then be linked to an effective, and simple to apply management information system that is all-embracing and coordinated.

- Local

Local governments should step up training of their staff on data generation, storage and retrieval.

- UNCDF

UNCDF can champion the data base developing exercise.

7.2.1.8 Eight

- National

Simplification and translation of planning guidelines into local languages is recommended as a way of making them more useable at community and parish levels.

- Local

Local governments should generate a human resources' pool that can be used to simplify and generate the guidelines.

- UNCDF

A new programme should give more attention to this. UNCDF can ensure that this happens.

7.2.1.9 Nine

- National

A communication and feedback mechanism in the participatory planning process should be developed to increase accountability and transparency in the process and to make people at the village level know which projects have been taken or dropped and reasons why.

- Local

Local governments should establish easy-to-follow systems for tracking projects from one level to the next.

- UNCDF

UNCDF and other partners can ensure that the feedback mechanism is built into the design of any new programme

7.2.1.10

- National

We recommend increased funding of the participatory planning processes in local governments by the Centre as a way of facilitating an increase in technical backstopping between higher and lower local governments. This could be achieved through consolidating sector-based planning /programming budgets into one local government planning process

7.2.2 Local Revenue Enhancement

7.2.2.1 One

- National

Local Revenue Enhancement efforts should be redirected in order to begin with supporting production as the first activity. A bold and innovative strategy and programme for enhancing local economic development should be conceptualized by the Ministry of Local Government in collaboration with relevant government and non-government partners.

- Local

EVALUATION REPORT

We recommend that local governments change their revenue enhancement strategy from simply collecting revenue to also enhancing local development through entrepreneurship.

- UNCDF

The UNCDF, working jointly with UNDP, should consider financing a pilot LED programme in selected local governments.

7.2.2.2 Two

- National

Collection of business-related levies, currently focusing on enumeration and assessment, be twined with focusing on business growth and development with emphasis put on women economic activities.

- Local

We recommend that local governments adopt the same strategy as the recommended national strategy.

- UNCDF

UNCDF and other partners should consider piloting the “focus on women business activities” in a number of districts.

7.2.2.3 Three

- National

We recommend development of a national strategy/framework to facilitate local governments’ investment as a way of generating revenue.

- Local

Owing to a high sensitivity of most local government tax revenue, it is recommended that local governments should attempt non-tax sources of revenue (like investment in real estates) which are less problematic.

- UNCDF

UNDP should consider piloting an innovative “non tax source of revenue activity” in a successor programme

7.2.2.4 Four

- National

Stronger constitutional safeguards be created to protect revenue generation mandates of local governments against political shocks.

7.2.2.5 Five

- National

Devolution of the Fiscal Decentralisation Strategy to lower local governments should be speeded up and improved to provide a more active linkage between sector programmes of ministries and

local government plans and budgets.

- Local

Lower local governments should demonstrate more adequately linkages between their plans/budgets and those of the central government sector ministries.

7.2.2.6 Six

- National

A progressive urbanisation strategy should be developed as a way of facilitating property taxes.

- Local

Local governments should expedite the introduction of property tax as an alternative source of revenue.

7.2.2.7 Seven

- Local

Local governments should expedite the development of mechanisms to enhance transparency in the use of local revenue, for example, through timely and genuine communication strategies at lowest levels of local government. This will increase willingness to pay taxes.

- UNCDF

The UNCDF and other partners, in a successor programme, should facilitate generation of better data, especially on use of local revenue

7.2.2.8 Eight

- National

The anticipated new local government taxes will inevitably require enactment of new legislation and guidelines by the Ministry of Local Government and the Local Government Finance Commission. They will also face initial operational difficulties in local governments.

- Local

Local governments should lobby to make sure that they are partners in the development of legislative guidelines on new local government taxes.

- UNCDF

The UNCDF, in a successor programme should facilitate continued focus on improving legislation and guidance for local revenue enhancement.

7.2.2.9 Nine

- National

The link between local planning and service delivery should be strengthened as the pilot results indicate. A strong link will boost civic interest in public sector development, stimulate people's willingness to pay taxes and entrench effective participation. This coupled with increased incomes will create a strong basis for local revenue.

- Local

Local governments should demonstrate better linkages between local planning and service delivery.

- UNCDF

The UNCDF and other partners should emphasise this link in a successor programme.

7.2.3 Gender Mainstreaming

7.2.3.1 One

- National

Strengthen capacity building for gender mainstreaming that promotes local economic development and also takes into consideration the different needs of females and males as well as those with disabilities.

- Local

Local governments should strengthen their implementation capacity on economic gender mainstreaming.

- UNCDF

The UNCDF and other partners should consider piloting gender specific economic activities in a successor programme (see also 7.2).

7.2.3.2 Two

- National

We recommend more tracking of how national gender policies are being implemented in local governments.

- Local

We recommend that local governments formulate sustainable mechanisms to: enable the established gender structures to be integrated into the local government financing system; provide formal arrangements at local government levels that allow the views, plans and budgets raised through the leadership and advocacy skills of the women and men in these structures to be formally recognized in the planning process at all levels.

- UNCDF

The UNCDF and other partners should put more emphasis on strengthening gender focal persons in order to ensure sustainability.

7.2.3.3 Three

- National

The guidelines that have provided gender responsive ways of planning and budgeting should be expanded to include case studies or examples, which illustrate a gender responsive plan, budget, and activity indicators. Such guidance should provide methods and skills on formulation of effective gender focused actions in ways that enable the actors to deal with how to “move from words to action”.

- Local

Local governments should “localise” the gender planning guidelines more as opposed to the prevailing practice of reproducing the higher government level guidelines.

- UNCDF

A successor programme should facilitate production of examples of gender responsive case studies as part of the guidelines.

7.2.3.4 Four

- National

Formulate mechanisms and plan for actual activities that enable gender mainstreaming to be undertaken in ways that enable linkages to poverty reduction, through planning systems at local government level.

- Local

We recommend that local governments’ plans, particularly at lower local governments, be made to show more clearly the linkages between the planned activities, implementation budgets and poverty reduction.

- UNCDF

A successor programme should put more emphasis on monitoring implementation of actual gender mainstreaming activities at the local levels, as opposed to simply planning for the activities.

7.2.3.5 Five

- National

Strengthen or establish research and documentation on processes, results, innovations and challenges of the gender mainstreaming approach as reflected from activities of the DDPII and make such information and data available through various dissemination channels including those which can be used at community level.

- Local

Local governments should develop more gender disaggregated data bases.

- UNCDF

A successor programme should continue supporting documentation of lessons and best practices AND also facilitate much wider dissemination of the findings.

7.2.3.6 Six

- National

Emphasize the use of gender disaggregated data at all stages of planning including baseline, implementation and monitoring.

- Local

Local governments should also emphasise use of gender disaggregated data in all stages of planning.

- UNCDF

A successor programme should champion this approach through the pilot.

7.2.3.7 Seven

The Gender Planning Guidelines complemented the Harmonised Planning Guidelines due to deliberate measures to enable participants in the local council planning to use skills that they already knew and then learn new ones. The successor programme should build on this success especially that shown through the parish gender responsive development plans.

7.2.3.8 Eight

Gender is considered a key issue in natural resource management. More activities should be planned and undertaken through including gender-related work in the district budgets as well as ensuring that training and other human resource aspects include gender focused content.

7.2.4 Local Council Courts

7.2.4.1 One

- Overall National

The component should be replicated in lower local governments either in the same districts or in additional districts, especially in the north where peace is currently being negotiated. In doing so, attention should be given to both the internal and external factors that have affected the operations of the courts negatively.

- Local

Local governments should strengthen their monitoring of local courts in order to increase the courts' effectiveness.

- UNCDF

The UNCDF and other development partners should treat this component as a priority component in a successor programme, given that it has been the most successful.

7.2.4.2 Two

- National

TOTs strategy should continue to be the core of the local courts strengthening but, the training programme should be district based. This would make the districts the partners. It would also provide for closer monitoring and mentoring.

- Local

Local governments at all levels should start identifying a pool of local trainers.

- UNCDF

The Ministry of Local Government should develop a generic training module for local courts but this should be used by TOT instead of the External Service Providers currently engaged in other generic training modules of the ministry. A successor programme should facilitate the institutionalisation of the TOTs strategy by establishing a resource pool of TOTs under the Justice

and Law Sector.

7.2.4.3 Three

- National

Revision of the guides in line with the new local courts Act should be expedited. Further, the revised guides should be translated into more local languages. In addition the revised guides should include more technical, as opposed to simply procedural aspects of the courts, for example, on how to apply some specific laws such as the Land Act, Law of Inheritance, and Children Statute etc.

- Local

Local governments should seek to be involved more in the revision of the guides and their translation to local languages.

- UNCDF

The UNCDF and other partners should consider facilitating this activity.

7.2.4.4 Four

- National

A successor programme should include continuous training not only to facilitate replacement of those lost during elections, but also to provide refresher courses, especially in emerging jurisdictional areas such as natural and community resources management. The training should also include traditional leaders in order to create a wider multiplier effect.

- Local

Local governments at all levels should seek to play a role, especially in identifying emerging community issues.

- UNCDF

The development partners should take continuous training into consideration when discussing the programme design and the necessary resources.

7.2.4.5 Five

- National

A budget line for the courts should be provided at the district level as anticipated in their inclusion in the LGSIP. This way the courts will also be integrated in the community services sectors of local governments.

- Local

Local authorities should monitor more closely the financial management of the local courts.

7.2.4.6 Six

- National

Institutional strengthening of the Ministry of local government to promote and coordinate improved delivery of local justice as a major decentralised service shall be inevitable, given the increasing

scope envisaged in the LOGSIP.

- Local

Local governments should start anticipating envisaged bigger scope of the local courts and start planning for this eventuality.

7.2.4.7 Seven

- National

A new design on the role of local courts should provide for more interaction between the courts and the formal judicial system without allowing the latter to undermine the authenticity of the local courts.

- Local

Local governments should lobby to ensure that the new design safeguards the integrity/survival of the local courts.

- UNCDF

The UNCDF and other development partners can help facilitate the interaction by providing resources for it.

7.2.4.8 Eight

- National:

Closer monitoring of the courts should be built into the design in order to regularly document best practices with a view to incorporating them into the common law corpus of the country.

- Local

Local governments should encourage/facilitate documentation of best practices/judgements by the local courts.

- UNCDF

A successor programme should provide more resources for establishing better information storage and retrieval systems by the courts.

7.2.4.9 Nine

- National

The sensitisation campaign should continue focussing the messages on the impartial role of the courts in the multi-party era as well as the operational jurisdiction of the different courts.

- Local

Local governments should maintain political neutrality of messages on local courts.

- UNCDF

A successor programme can facilitate the development and piloting of such messages.

7.2.4.10 Ten

- National

The new local courts law will initially require intensive dissemination and mentoring support accompanied with collection of experiences leading to its refinement.

- Local

Local governments should seek to be key partners in designing the new local courts. This should be done through the Ministry of Local Government.

7.2.4.11 Eleven

- National

Locally based accountability mechanisms for revenues from local courts need to be developed to avoid misuse of the funds that may cause wider implications like undermining the authority of and respect for the courts.

- Local

The Ministry of Local Government and local authorities should develop the revenue accountability mechanisms for the local courts.

8. REFERENCES

Ekapu J. (2006) Monitoring Reports on DDPII Gender Mainstreaming Component: Jinja and Kayunga districts.

Ministry of Gender, Labour and Social Development (2004) An audit report on the implementation of the National Action Plan on Women, 199-2000 and 2003-2004: Republic of Uganda.

Ministry of Gender, Labour and Social Development, (2007) Cabinet Memorandum CT (2007) 82: The Uganda Gender Policy, Republic of Uganda.

Ministry of Gender, Labour and Social Development, (2007) The Uganda Gender Policy: Republic of Uganda.

Ministry of Gender, Labour and Social Development, (2004) Guidelines for monitoring and evaluating implementation of the National Action Plan on Women: Republic of Uganda.

Republic of Uganda, (2006) Buwenge Sub-county Local government: Three-Year Sub-County Integrated Investment Plan for 2006 to 2009; Jinja District.

UNDP, (2006) Capacity Development for Pro-Poor Growth and Accountability (CD-PGA) Framework: Primer from Uganda country office; UNDP.

viii.

ANNEX 1: TERMS OF REFERENCE

ANNEX 2: EVALUATION WORK PLAN

ANNEX 3: LIST OF INTERVIEWEES