



## CONFERENCE REPORT - SUMMARY

**KAMPALA, UGANDA - AUGUST 13, 2019**

ACODE Policy Dialogue Report Series No.33, 2019



### Governance, Accountability, Participation and Performance (GAPP) Program

# **DECENTRALISATION; TRENDS, ACHIEVEMENTS AND THE WAY-FORWARD FOR LOCAL GOVERNMENTS IN UGANDA**

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P. O. Box 29836, Kampala  
Email: [library@acode-u.org](mailto:library@acode-u.org); [acode@acode-u.org](mailto:acode@acode-u.org)  
Website: <http://www.acode-u.org>

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# List of Acronyms

ACODE	-	Advocates Coalition for Development and Environment
BTVET	-	Business, Technical, Vocational Education and Training
CAO	-	Chief Administrative Officer
CSBAG	-	Civil Society Budget Advocacy Group
CSOs	-	Civil Society Organisations
DFID	-	Department for International Development
DLG	-	District Local Government
FY	-	Financial Year
GAPP	-	Governance, Accountability, Participation Performance Program
IGRs	-	Intergovernmental Relations
LED	-	Local Economic Development
LG	-	Local Government
LGA	-	Local Governments Act
LGCSCI	-	Local Government Councils' Scorecard Initiative
LGPAC	-	Local Government Public Accounts Committee
M&E	-	Monitoring and Evaluation
MAAIF	-	Ministry of Agriculture, Animal Industry and Fisheries
MDAs	-	Ministries, Departments and Agencies
MoES	-	Ministry of Education and Sports
MoFPED	-	Ministry of Finance, Planning and Economic Development
MoLG	-	Ministry of Local Government
MoW&T	-	Ministry of Works and Transport
MPs	-	Members of Parliament
NDP	-	National Development Plan
NPA	-	National Planning Authority
NRM/A	-	National Resistance Movement/Army
OPM	-	Office of the Prime Minister
OWC	-	Operation Wealth Creation
PFMA	-	Public Finance Management Act
PPPs	-	Public Private Partnerships
RCs	-	Resistance Councils
SAPs	-	Structural Adjustment Programmes
UAAC	-	Urban Authorities Association of Uganda
UKAID	-	United Kingdom Agency for International Development
ULGA	-	Uganda Local Governments Association
UPE	-	Universal Primary Education
URA	-	Uganda Revenue Authority
USAID	-	United States Agency for International Development
USE	-	Universal Secondary Education
UWEP	-	Uganda Women Entrepreneurship Programme
YLP	-	Youth Livelihood Programme

# SUMMARY AND KEY ISSUES

This report presents the proceedings of the National Conference on Decentralisation held at Hotel Africana in Kampala, Uganda, on August 13, 2019. The theme of the conference was: ***Decentralisation: Trends, Gains, Challenges and the Future of Local Governments in Uganda***. It was collaboratively held by the Ministry of Local Government (MoLG), Advocates Coalition for Development and Environment (ACODE), and the Governance, Accountability, Participation and Performance (GAPP) Program with support from USAID and UKAID. The Conference assessed the impact of decentralisation policies and trends on financing for local governments, and highlighted measures [that can be] put in place by relevant stakeholders to support and strengthen decentralisation as per Article 176 of Uganda's 1995 Constitution. Uganda's decentralisation experiment was hailed as exceptional in the developing world. Its scale, scope of transfer of powers (devolution), responsibilities given to subnational units, and powers granted to citizens, were unprecedented.

However, challenges of limited capacity of local government authorities, financing gaps, inter-governmental relations, and new problems of maintaining sub-national cohesion, continue to hamper the effectiveness of this governance reform. Accordingly, the August 2019 Conference was informed by the findings of two recent studies that took stock of trends and progress and also examined financing challenges to local governments under Uganda's devolution form of decentralisation. It attracted different stakeholders including: national legislators/ members of parliament and policy makers, local government political and technical leaders, researchers and academia, civil society, media and development partners. It was also broadcast live on television and channeled through social media, which created space for the public to interact and appreciate the proceedings.

## Key Issues

During the conference, the following *key issues* emerged:

- ***Gains Made, Challenges Remain:*** Decentralisation in Uganda has changed the political landscape at sub-national level, allowing citizens to participate in governing their areas, and provided space for training of local politicians. After 26 years, however, several challenges remain: financing limitations, local personnel capacity, infrastructure underdevelopment, mind-set and attitudinal challenges among many stakeholders, poor work ethic, over-politicisation of local development, and the sheer immensity of the challenges of development. Some participants insisted that there is need for "some change of attitude of cabinet toward the people of Uganda" in respect of local governance.

- **Inter-Governmental Relations (IGRs):** IGRs between national and sub-national state authorities are not consultative, participatory, and unfit for holistic development.
- **Negotiation of Development Support:** Local governments have not been involved in negotiations with donors especially on projects and interventions that have direct bearing on local governments' performance.
- **National and Resource Fragmentation:** In many respects decentralisation has created incentives and demands for creation of more and more unviable local government structures, leading to national fragmentation, political pressures, increases in costs of public administration, and fragmentation of state resources.
- **Monitoring and Evaluation of Implementation of the Decentralisation Policy:** Has decentralisation been evaluated, its successes and failures highlighted and possible modifications – or even reversals – considered? There is limited empirical basis for considering decentralized governance successful or otherwise without in-depth M&E studies.
- **Education Qualifications of councillors** remains a recurrent challenge in local governments, yet Parliament has not fully addressed itself to this legal question.
- **The role of Public Accounts Committee of LG Councils** should be strengthened and entrenched in LGs' accountability mechanisms.
- **Local Government Funds retained at Centre:** Considerable amounts of funds which would be allocated to local governments, and which are intended for decentralized service delivery and local development, are retained by central-government ministries, departments and agencies (MDAs). The 2019/2020 National Budget contains more than UGX 1 Trillion that ought to have been allocated to local governments but was retained by MDAs.
- **Local Governance now a Sector:** The ministry of local government was recently redefined as a sector. This implies that it can receive funding as one of the country's development sectors and has a platform to negotiate for more resources. Yet, it embraces almost all sectors, and cuts through and across them, making it a hybrid sector.
- **Annual Reviews stalled since 2016:** Decentralised governance requires periodic review. Since 2016, annual reviews of decentralisation have not been made, making it difficult to assess progress, address challenges, and innovate new ways of improving local governance. The emergence of the local government sector presents an opportunity for the revival of annual reviews of decentralisation/local government sector



- **Knowledge, understanding, and appreciation of decentralisation:** Stakeholders' general knowledge, understanding, and appreciation of decentralisation obtain among local government technical and political officials. But limited awareness is had on how LGs can find novel ways of addressing wealth-creation and local development issues beyond nationally-planned and budgeted interventions.
- **Priorities under LED and new Sector:** Development priorities under Local Economic Development (LED) and the MoLG reconstituted as a new Sector need to be specified. When engaging development partners to finance local governments, these cross-sectoral priorities should be stated with much clarity to make them easily appreciated by development partners.
- **Clarity and Coordination:** within LGs, between LGs and Central Government, and within central government, there is limited coordination and lack of clarity of responsibilities. Different MDAs interacting with LGs work in silos. Different LG authorities also work in silos, sometimes even within the same district. Some development partners know little about the need for intra- and inter-governmental coordination, thus worsening ambiguities in LGs.
- **No service delivery Standards:** Local governments *lack service delivery standards*. Only 5 out of 19 sectors have service delivery standards. This therefore constrains inspection, supervision and monitoring of service delivery. The local governance sector will work with the National Planning Authority (NPA) to ensure that these standards are developed for improved service delivery.
- **Interventions of Development Partners not Harmonised:** Some development partners have not harmonised their interventions and operate in similar regions and districts, and on similar projects and activities. This duplicates interventions, services and personnel efforts. Some partners insist on working with more responsive districts, or specific districts, which precludes other districts. This therefore calls for a platform to harmonise development partners' interventions in local governments to avoid duplication.
- **Mind-set Change:** Mind-set change is a necessary and urgent consideration in local governance and local economic development. Citizens, local leaders, and other stakeholders have not adjusted their mind-sets to the urgent development needs of local Uganda, which militates against innovations and adaptation.
- **Sustainable Urbanisation:** Sustainable cities are the current global trend. As Uganda urbanises, the need for stakeholder engagement in urbanization is urgent. The establishment of green cities, municipalities and towns seems not to have been prioritised by local-development planners and practitioners. These urban areas require well thought through physical plans for appropriate physical infrastructural development.

- **Holistic, Inclusive Development:** Uganda's endowment should create incentives among all stakeholders to propel the country's development journey. But local governments, which are closer to the people, have not been adequate champions of holistic development, leading to perpetual poverty in rural communities.
- **Continuous Capacity Building:** Capacity development is a continuous process. It requires prioritization, continuity, and adaptation to rapid changes.
- **Staffing and Personnel:** The requirement for 100% staffing levels is urgent. Every district or other local government authority should work hard to ensure sufficient staffing levels are in place.
- **Structural Changes:** As the MoLG transitions to a Sector there are structural changes and adaptations that are needed at central and local government levels. These would be useful during planning and building of new cities, infrastructure projects, and service delivery, in an environmentally-sustainable manner.
- **Local Revenue, the Blood and Soul of LGs:** The lifeblood of local governments, local revenues, is being eroded. Districts raise only about 3% of their revenues coming from local revenue sources. The situation is highlighted by Kibuku district which receives only 0.6% of its revenue from intra-district sources. The limited capacity to generate local revenues to finance LG operations hinders service delivery. Existing opportunities for generating local revenue have been affected by policy changes which allowed the Uganda Revenue Authority (URA) to 'encroach' upon existing revenue sources. There is need for new initiatives on revenue mobilisation and administration for local governments to generate adequate own revenues. Capacity building in local revenue mobilisation and administration is critical for the local governments.
- **Development Partner Support for PPPs:** Development partners should consider prioritising funding for Public Private Partnerships (PPPs) dedicated to support local economic development (LED), co-operative agriculture, model villages, green and clean urbanisation, and agro-industrialisation in district industrial parks.
- **From service delivery to development sector:** The shift from traditional local governance to a sector creates new challenges and opportunities related to inter-agency coordination, inter-governmental relations, interest of development partners, new priorities created by new urban areas, and relationships between non-state financing sources and local authorities. This requires the Ministry of Local Government to measure up to her coordination role for the all the actors (state and non-state) in the sector.



## 1.0 CONFERENCE PROCEEDINGS

### 1.1 Introduction

This is a report of proceedings of the National Conference on Decentralisation held under the theme: **“Decentralisation: Trends, Gains, Challenges and the Future of Local Governments in Uganda”**. Moderated by Mr. Moris Mugisha, the first-ever National Conference took place on August 13, 2019, at Hotel Africana in Kampala, Uganda. It was held by the Ministry of Local Government (MoLG) in partnership with Advocates Coalition for Development and Environment (ACODE) and Governance, Accountability, Participation and Performance (GAPP) Program with support from the USAID and UKaid. It explored the impact of decentralisation on financing for local governments and measures [that can be] put in place by relevant stakeholders to support decentralisation.

Uganda's local government reform was initiated in 1992 following a report of the Commission of Inquiry in Local Government Systems, and became a concurrent process alongside, or even as part of, public service reforms under the then Structural Adjustment Programs (SAPs). Decentralisation was then provided for under the 1995 Constitution, in the form of devolution. The Policy was operationalized by the Local Governments Act Cap 243 of 1997. Decentralisation was crafted as a means to modify, reform, and improve local governance in order to improve service delivery and local development. Uganda decentralized service delivery institutions and their governance structures with the hope of improving access to services for rural Ugandans.



Figure 1: The Prime Minister, Rt. Hon. Ruhakana Rugunda with the Minister of State for Local Government arriving at the National Conference on Decentralisation at Hotel Africana, Kampala



Since 1997, the country has pursued a devolution form of decentralisation in which political, administrative and fiscal powers were transferred to elected local leaders (executive and councilors), and service delivery systems and processes placed in the hands of local government technical officials. Local citizens were given the right to hold local leaders accountable through elected representatives working as sub-national legislative structures called Local Government **Councils**: District Councils, Municipal Councils, Sub-County Councils, Town Councils, and all-inclusive Village/Cell Councils.

The hope of this reform process was that devolution of decisional, administrative, and service-delivery powers would improve access to, and better the quality and timeliness of, services for rural citizens. Its scale, scope of transfer of powers (devolution), responsibilities given to subnational units, and powers granted to citizens, were unprecedented. It has, accordingly, been heralded as one of the most far-reaching and exceptional local governance reform programs in the developing world. However, challenges of limited capacity of local government authorities, financing gaps, limited coordination with the Centre, decentralisation of corruption and inconsistent priorities, continue to hamper the effectiveness of this governance reform.

## 1.2 Background and Rationale

Since 1992, Decentralisation in Uganda has changed in form, shape, perception and image. It has seen Local Governments (LGs) evolve from political mobilisation structures, to governance structures embodying democratically-elected executives; legislative bodies called Local Government Councils; planning and budgeting entities; service delivery vehicles and currently local economic development structures.

While decentralisation in Uganda has undergone a number of previous reviews, the policy commenced with a very robust beginning but later slowed down due to a number of policy reversals, distortions, technical obscurities, internal inconsistencies, and new political winds. These issues threaten to reduce the policy to national fragmentation via the creation of unviable and ethnic-based districts [and sometimes constituencies]. As a result, decentralisation has been watered down by low prioritization, a disparate national planning framework, and divisive nature of local politics.

Whereas it was anticipated that decentralisation would result in greater participation and control over service delivery and governance by local communities, LGs are still grappling with a range of challenges. Needless to emphasise, decentralisation in Uganda straddles every governance, legislative, institutional and service delivery framework of the country. Backed by a constitutional mandate, decentralisation enjoys an exceptional position as a governance framework. Its legal clout can always be exploited to benefit the population. Despite some examples of outstanding service delivery outcomes in some districts, in education, health, roads and water & sanitation sectors, among others, there are glaring gaps between service provision and local needs. Local development also remains elusive as shown by persistent poverty throughout the country. This gap is partly created by lack of adequate funding and limited capacity at the LG level. Limited financing is largely reflected across the service delivery sectors, and has critically impeded the functionality of

LGs. The Conference explored these and other issues with the view to generating possible solutions and multi-stakeholder responses to them.

### 1.3 The Conference

The National Conference on Decentralisation explored the impact of various policy practices on funding and service delivery under decentralized governance. The conference was informed by the findings of two studies conducted by ACODE with support from USAID and UKaid under the GAPP Program:

1. Decentralisation in Uganda: Trends, Gains, Challenges and Proposals for Consolidation. (Available at: <https://www.acode-u.org/uploadedFiles/PRS93.pdf> )
2. Financing Local Governments in Uganda: Analysis of the Proposed National Budget FY2019/20 and Proposals for Re-allocation. (Available at: <https://www.acode-u.org/uploadedFiles/PRS92.pdf>)

### 1.4 Objectives of the Conference

The goal of the National Conference on Decentralisation was to take stock of the service-delivery and democratic implications of financing local governments so as to enrich understanding of the efficacy of the country's decentralisation policy. The specific objectives of the Conference were:

- a) To assess the implementation of decentralisation and its impact on the deepening of democracy in Uganda;
- b) To provide a forum for representatives of government, local government practitioners, civil society organisations, academia and development partners, to share lessons and experiences of implementing the decentralisation policy;
- c) To generate policy and practical ideas on how to influence budget allocations in favour of local governments in order for them to execute their mandate; and
- d) To lay ground for the comprehensive review of the decentralisation policy.

### 1.5 Methodology and Participation

The Conference included a Guest Speaker, high-level presentations, plenary discussions, break-out thematic sessions, thematic presentations, question & answer sessions. Welcome and opening remarks were made by senior policy leaders. For instance, the Prime Minister of the Republic of Uganda, Rt. Hon. Dr. Ruhakana Rugunda, was the Guest Speaker and made official opening remarks. He was graced by the State Minister for Local Government, Hon. Jennifer Namuyangu, as well as State Minister for Education, Hon. Rosemary Sseninde. The plenary session focused on: trends in local governance; achievements and challenges; and way forward in financing of local government. It was moderated by expert moderators and proceedings captured with as much detail as possible as reflected in this report. Breakout sessions consisted of in-depth thematic discussions moderated by senior local government leaders and development experts.

It follows that participants included representatives from Office of the Prime Minister (OPM), development partner agencies and diplomatic missions, state Ministries Departments and Agencies (MDAs), Academia and research community, media, Local Government political and technical Leaders, representatives of the Uganda Local Governments Association (ULGA) and the Urban Authorities Association of Uganda (UAAU), Civil Society Budget Advocacy Group (CSBAG), Committees of Parliament (Committee on Local Government, Public Service, and Committee on Budget).

## 2.0 OPENING STATEMENTS

### 2.1 Opening Session – Moderated by Maurice Mugisha

Anthems were played, while the Prayer was led by Eugene Gerald Ssemakula at 9:35am.



*Figure 2: Across Section of Participants at the National Conference on Decentralisation singing the National and East African Community Anthems*

### 2.2 Opening Note by the Permanent Secretary (PS/MoLG)

The Permanent Secretary (PS) of the Ministry of Local Government (MoLG), Mr. Ben Kumumanya, welcomed the Prime Minister, Dr. Ruhakana Rugunda, other dignitaries, and participants present, to the “The First-Ever Conference on Decentralisation.” He stated that the conference was aimed at checking whether the reform process that started with the report of the commission of inquiry into local governance that gave rise to decentralisation in 1993, later constitutionalized and operationalised in the Local Governments Act (LGA) Cap. 243 of 1997, has led to aims stated 26 years ago.

He said recently the MoLG has been designated as a sector by the Office of the Prime Minister (OPM). This gave reason to hold a conference on a policy process that has been unfolding since 1993. The new sector seeks to join other sectors in developing the country and meeting the aspiration of making Uganda a Middle-Income economy.



He stated that all sections of society are represented in the conference: media, CSOs, academia, local government leaders, development partners and more. Two studies have informed this conference and would inform discussions. The other two key ingredients – elected leaderships at LG level and the 1997 LGA Act – have not been tampered with since 1997. Equally, government commitment has never wavered as exhibited by the fact that in 2018 resources were allocated to elect parish and village councils last elected in 2002.

The conference, he requested, should endorse recommendations of recent studies, to be presented in the conference, to ensure that the objectives designed in 1993 are met. He said he was happy that the Prime Minister embraced and attended the conference. He promised to bring to the Prime Minister's attention the recommendations of the conference, and invited the Minister of LG to give remarks.



Figure 3: L-R: The Executive Director, ACODE; PS, MOLG; the Rt Hon. Prime Minister of Uganda; Minister of State for LG and Deputy Head of US Mission in Uganda

## 2.3 Minister of Local Government – Hon. Jennifer Namuyangu

The State Minister for Local Government, Hon. Jennifer Kacha Byakatonda Namuyangu, represented the Minister of Local Government, Hon. Col. Tom Butime, who was on leave. She welcomed the Prime Minister and all other participants in their respective capacities, and said she was honored to have this conference which is “historical in nature”, the opening of which the Prime Minister is best suited.

She expressed the honor to welcome the Prime Minister, and said she was part of the panel consisting of different stakeholders to discuss trends, gains, challenges and the future of local government under decentralisation policy. This comes at a critical time when the MoLG has become a sector of its own, a sector that will

improve efficiency and effectiveness in the operations local governments. She did not specify whether, under the new sectoral and structural arrangement, local government will be reconstituted.

Hon. Namuyangu promised to harness the great ideas arising from the conference to enrich and strengthen the sector. This would be in keeping with government's sector-wide approach to planning, introduced in 1999/2000. The approach was intended to ensure that institutions delivering related services work jointly to improve service delivery, create harmony within and between institutions, eliminate challenges of individualized planning and resource allocations without considering input of other MDAs. This is because lack of coherence and coordination had led to lack of synergy and uncoordinated interventions in development processes.

Local governance, she added, is based on decentralisation of functions, powers and resources to enhance people's involvement in governance. The LG sector draws mandate from Articles 176 and 194 of the Constitution, which make provisions on the implementation of the decentralisation policy. The Local Government Act (LGA) Cap 243 is also considered a key instrument in the policy. Thus, this new sector will address issues of inadequate and weak financing mechanisms by evoking the provisions of the law – e.g. Art. 176(d)(d); Article 191 (power to levy and appropriate taxes); Article 193 (grants to local governments).

The issue of declining share of resources between the central and local governments, she added, will also be tabled and discussed for redress. A push will be made for subventions from central government to support local government associations (such as ULGA and UAAU) to execute their mandates; address inadequate funding for local government staff recruitment; and reduce LGs' inability to attract and retain highly-qualified personnel. The sector will ensure there are enough resources to support staff in local government authorities.

One of the challenges facing local governance is *lack of service delivery standards*. Only 5 out of 19 sectors have service delivery standards. The sector will work with the NPA to ensure that these standards are developed: this will improve service delivery efficiency, work toward "vibrant economies", generate local revenue and provide jobs for people, promote private sector partnerships in investment, and increase local investments. The result will be expansion of local revenue base, improved urban development, and viable mechanisms for equitable financing for local governments, all of which contribute to efforts to promote local transformation.

She said the ministry is working toward better coordination and institutional linkages between relevant stakeholders, reenergizing local government systems and institutions, creating a platform for addressing decentralisation challenges, and implementation of the Local Government Sector Strategic Plan, guided by the decentralisation policy. The Sector will be managed by:

- Steering Committee (ministers)
- Sector Working (senior technocrats), and
- Technical Committee (thematic areas), with secretariat support.

Each of these levels will be appropriately constituted from ministerial to senior technical leadership and multi-stakeholder involvement. She called upon all those nominated to be members of thematic areas to work tirelessly to ensure that the



Figure 4: Standing: The Minister of State for Local Government, Hon. Jennifer Namuyangu

newly-created sector meets its objectives – through cooperation, coordination, and support.

Hon. Namuyangu called upon all stakeholders to support the sector and welcomed the Prime Minister to the conference. She appealed to everyone to “dedicate all the time we have to discuss and debate the two studies” and take note of recommendations for action the studies would present. She ended her address with an invitation to the Prime Minister to officially open the Conference.

## 2.4 Official Opening – Prime Minister, Rt. Hon. Dr. Ruhakana Rugunda

The Prime Minister was pleased to join participants in a discussion for taking stock of how decentralisation has helped improve service delivery in Uganda. He stated that the philosophy and history of decentralisation is rooted in the NRM/A [National Resistance Movement/Army] struggle, which pushed the leadership to study and understand the local governance. The NRM rebel leaders then constituted Resistance Councils (RCs), which were established and operationalized in liberated areas, “mainly in the Luwero Triangle”, that became the root of present day decentralization. The RCs were “reliable conduits through which citizens could identify issues affecting their lives and also their respective localities. Therefore, the decentralisation policy was, from the onset, a well-thought out model for service delivery”, and was then the most logical step and cornerstone for granting “power to the people.” This was also the “basis for the liberation struggle – and in any case the whole struggle was based on the local people providing information, resources, food and soldiers to fight in the liberation struggle.”



Figure 5: The Prime Minister of Uganda, Rt.Hon Ruhakana Rugunda giving a Key Note Address

Government took initiatives to ensure that the decentralisation policy is put in place within the right political environment and backed by appropriate policy framework. He was “happy to note that this meeting has come at the right time.” The findings of these studies should enable government to maximize returns of the policy and fix gaps that stand in the way of its implementation. Government will study the recommendations of the conference with the view to implementing them to improve service delivery.

The Prime Minister called on participants to appreciate that “service delivery is a patriotic call for all of us”. He added that decentralisation has realized gains in many areas - local development, institutional aspects, democratically-elected local councils, and more – hence the presence of local councils from village to district levels all elected through universal adult suffrage. “This is democracy in practice.” Marginalized and vulnerable populations are also represented, participating in decision-making processes in areas where they live. Administrative decentralisation has assured effective and efficient local administration by providing systems, regulations and frameworks through which national policies, legislations, regulations and guidelines are implemented at local level.

Yet, the Prime Minister admitted, there are still **challenges** local governments face. These challenges require “all of us to collectively correct them.” These include: inadequate capacity in form of inadequate staffing and skills; neglect of local economic development (focusing only on service delivery); poor information and records management leading to decisional delays, wrong decisions and more; poor intra- and inter-governmental coordination. He concluded by thanking everyone for the interest shown in the matter and looked “forward to meaningful and constructive deliberations”. He declared the *National Conference on Decentralisation* Open at 10:12am.



## 2.5 Statement from USAID Mission

The Mission Director, Ms. Patricia Rader welcomed dignitaries in their respective capacities, “all protocol observed.” She was pleased with collaboration between government and civil society on how to strength decentralisation, specifically the partnership between MoLG and ACODE that brought different stakeholders in a conference. Strong and functioning LGs, she added, are key to promoting people-centred development, gatekeepers of citizen services, loci of local transformation, and embodiments of sub-national state authority.

The GAPP program, she revealed, is supported by USAID and UKaid. Under the same arrangement support was provided for the conference. She was “pleased to support the event today” that provides space to “reflect on how decentralisation policy can bring about effective, efficient and workable policy” that can improve services to citizens. She added that the studies to be presented would highlight the key issues that hamper local level development. She warned: “If not addressed these challenges will continue to stifle local development.” She outlined the advantages and benefits of strong local governance, how weak local government systems negatively affect vulnerable populations, and mismanagement of development resources at local level (e.g. in building schools).

She said that the US government, via USAID, works with government and civil society to improve service delivery. A lot has been achieved but more challenges remain – especially on accountable and efficient LG systems. The workshop, the first of its kind she said, would highlight ways and means of further improving LG performance in keeping with USAID-assistance interventions in the country.



Figure 6: The Mission Director, Ms. Patricia Rader giving a Statement

Stressing the importance of accountability mechanisms to prevent corruption and fraud, Ms. Rader urged civil society to continue working with government to enable citizens demand accountability and to help LGs dispense their responsibility to deliver. She thanked all present for the commitment and holding of the conference. She looked forward to this report on the deliberations that would unfold in the Conference.

## **2.6 Introduction of the Studies: Dr. Arthur Bainomugisha, Executive Director, ACODE**

Dr. Bainomugisha welcomed the Prime Minister; State Minister and PS/MoLG, MPs, Mission Director/USAID, ULGA President, Invited Guests, and participants. He was thankful for the Prime Minister's willingness and readiness to grace the Conference.

He briefly outlined ACODE's work and programmatic areas. He added that the two studies were made within the Peace and Security Program. He thanked the MoLG and other MDAs for working with think tanks, a major tenet across the world. He introduced and briefly read out the bios of the lead researchers that conducted these studies: Prof. Elijah Dickens Mushemeza, Ramathan Ggobi and Daniel Lukwago.

He added that ACODE has worked with local governments since 2009, building the capacity of local governments' executives and councils, and communities under the Local Government Councils Scorecard Initiative (LGCSCI). This initiative has, over the last decade, enabled ACODE to strengthen citizen and local government capacities. He pledged that ACODE will continue to work with MoLG and Local Governments' associations to improve local governance.

He thanked UKaid and USAID for funding ACODE's efforts. This support had, he stated, culminated into the first-ever National Conference on Decentralisation.

## 3.0 PRESENTATION OF STUDIES

### 3.1 Presentation #1: Decentralisation in Uganda: Trends, Gains, Challenges and Proposals for Consolidation, Prof. Elijah Dickens Mushemeza

Dr. E.D. Mushemeza, a Political Scientist and Professor of Development Studies, started by recognizing the Chief Guest and other dignitaries present. He said decentralisation in Uganda was conceptualized as a means to improve local governance, service delivery, local ownership of government programs, and enable people's contribution to design and implementation of programs.

Over the past 26 years, he revealed, decentralisation has made some strides. At the same time, it continues to face serious challenges. These thrusts informed the study. The study was a qualitative, cross-sectional study that took a historical analysis, in order to unravel “where the country has come from, that has happened along the way and what needs to be addressed.” Its objective was to inform MPs, MDAs, and other stakeholders to advocate reforms that strengthen decentralisation in Uganda. The methodology is well articulated in the report distributed at the conference.

The **major findings** are that: key actors in national and local government levels are knowledgeable about what decentralisation is, specifically the devolution form that Uganda implements. Stakeholders appreciate the devolution model of decentralisation, a policy innovation that “commenced with vigor but later slowed down due to serious challenges”. It was then highly cherished reform. But the policy now suffers low prioritization and disparate national programs working counter to the policy. The governance frameworks (policy and strategy documents, laws, regulations, guidelines and instructions) were not exhaustive enough to cater for some of the policy specifications – mainly on a sectoral approach to service delivery. As a result, decentralisation practices do not give due guidance for local economic development.

There are many **dividends** from decentralisation: political devolution is a major millstone; election of local leaders and legislation in councils is positive; people elect their leaders periodically at all levels. There has also been an increase in volume, access, and quality of service delivery over the last 2 decades – in health, education, roads (district roads: 27,500km in 2008 to 35,556km today – 29% increase), water and sanitation (66% viable water sources by June 2018). Despite these strides, *absence of a One-Stop-Centre to aggregate the cumulative stock of information* on the different kinds of services makes it difficult to find data on these dividends.

There are also **challenges** – some critical and systemic that they threaten the including: recentralisation of the fiscal aspects of local governance; unclear reporting mechanisms; ever-reducing authority of LGs over local revenues and resources; understaffing for many districts (at 13% for new districts) and major legal reforms. On legal reforms, he stated that the Public Finance Management

Act (PFMA) of 2015 hinders functionality and operations of Local Governments Act (LGA). This is because Sec. 33(3) of the PFMA contradicts the provisions of the LGA on local revenues. Absence of dedicated units at MoLGs headquarters to deal with emerging impacts and omissions of the policy; absence of dedicated review mechanisms since 2016; persistent subservience of LGs to central government MDAs, all undermine the thrust of devolution. There is a dichotomy, even contradiction, surrounding the creation of urban centres which rural LGs view as 'eating into' their resource bases. The URA is 'encroaching' on LG activities, leaving LGs with few sources of revenue. Weak functionality of mandated institutions limits effectiveness of LGs. Many LGs departments and functions remain abandoned, dysfunctional and have weak capacity – e.g. internal audit office.

Synthesis: evidence abounds that the promise of decentralisation to improve service delivery depends on whether managerial systems are in place, attitudes of personnel, and shared development priorities between central and local authorities. There is an empirically demonstrable downward trend in the effectiveness and performance of decentralisation. Inadequate resources constrain LG delivery, as do lack of qualified personnel in key sectors. There is a sudden reawakening toward decentralisation. The philosophy that informed the decentralisation policy remains relevant today.

### ***What reforms and actions are needed?***

- Re-engage in the decentralisation discourse given its import to the country's political economy concurrent with the urge to attain middle-income status. Strong intergovernmental relations are needed to align decentralisation to the drive to wealth creation.
- The MoLG should position itself as a primary coordination entity for decentralisation, via bargaining for more funding, capacity building, and multi-stakeholder engagement.
- The MoLG is now a separate sector – operationalization of the sector should be fast-tracked to give supremacy to decentralisation and attract more funding and capacity support.
- The PFMA 2015 curtails powers of LGs enshrined in the 4<sup>th</sup> Schedule of the LGA, hence negating the spirit of decentralisation – the PFMA needs to be reviewed to make it more pro-decentralisation.
- The sector strategic plan needs review and alignment to the proposed thrust of NDP III. Financing across several requirements and facilitation of political leaders to monitor the implementation of decentralisation services. MoLG should consider setting up a unit or assign a department as response entity for decentralisation processes.
- Redesign appropriate review mechanism for the decentralisation policy processes.
- Build MoLG and LGs capacities for resource mobilization, local economic development, funding, and more – including strong budget advocacy, negotiations with MPs, MDAs, and development partners.



- Facilitate LGs to become champions of local economic development in order to raise revenues.
- Activate and/or reactivate the moratorium in creation of new districts – more districts are not economically viable.

Prof. Mushemeza concluded that such a study cannot be exhaustive due to the wide scope of issues to be addressed. But the findings reveal the status, what needs to be done to improve local governance, and shows that decentralisation still holds great potential and multitier effect for citizen mobilization and development. This will be so if the policy is backed by strong governance frameworks and commitment to turning the policy into a sectoral framework for local development. As a country, Uganda did not fully take advantage of decentralisation, namely using it to enhance citizen participation beyond electioneering and politics – it was not optimized for local mobilization for local economic development. More capacity building is necessary in recognition of the fact that capacity needs are elastic and they change over time. Consolidating the gains so far made is possible via harmonization of laws, more funding, capacity building, and taking care of the issue of corruption, which threatens the dividends so far achieved.

### **3.2 Presentation 2: Financing Local Governments: Analysis of FY 2019/2020 budget and Proposals for Reallocation, Mr. Ramathan Ggobi**

Mr. Ggobi started by welcoming participants. He stated that he represented his colleague, Daniel Lukwago, and added that this study used the proposed FY2019/2020 budget to assess how LGs are being financed and made proposals for re-allocations. The objectives were to:

- ii Identify budget-lines allocated to MDSA which are supposed to be for LGs; and
- iii Recommend reallocation of the money retained by these MDAs to LGs.

The Methodology included extensive document review covering the 1995 constitution, LG Act Cap 243; budget (April 2019); national and sector budget framework papers; and ministerial policy statements which feed into relevant sectors selected for review. This was guided by existing policy and legal frameworks. The study also analyzed the LGA, decentralisation policy, 6<sup>th</sup> schedule of the Constitution (which states the functions of governments and directs what government should be doing in that respect); and 2<sup>nd</sup> schedule to the LGA (on functions of LGs) to inform which sectors, then, to analyse. The approach used to identify budget-lines was diagrammatized and presented.

Selection was made, of key sectors and MDAs, in these sectors. Budget-lines under these sectors but which were supposed to be for LGs were identified. Analysis was made on budget output (relevance to local government); whether the budget output can be transferred to local governments; whether we can rationalize the budget to free funds for local governments (if it cannot be reallocated); and other information from ministerial policy statements [which was] consistent with study objectives.

The Major findings included:

- a) Local government programs had been allocated UGX 3.6 trillion (9.2%) through unconditional, conditional, and equalization grants; project-funding and donor-funding. This was raised to UGX 4.09 trillion or 10.4% of the national budget.
- b) About UGX 1.6 trillion was allocated to education sector, and to public sector management UGX 1.067 trillion was allocated.
- c) Education sector sent 50% of its budget to local governments, health 21% and other sectors less.
- d) Some budget-lines were allocated to central-government MDAs that should have been allocated to local governments:
  - several services and functions in the Ministry of agriculture, animal industry and fisheries (MAAIF);
  - education (e.g. construction and rehabilitation of BTNET learning facilities, classroom construction and rehabilitation, secondary learning facilities and accommodation facilities for BTNET);
  - health (e.g. support to local governments, purchase of equipment for Yumbe and Kayunga, health centre construction and rehabilitation, community health services etc);
  - water (construction of piped water supply systems in rural areas, water surface reservoirs, bulk water supply schemes, back-up support, etc);
  - works and transport (district and community roads, bridges within districts, urban road construction, purchase of water vehicles and other equipment), and
  - Social development (inspection of workplaces, investigation on violation of labour standards, advocacy and networking, renovation and maintenance of centre for vulnerable groups).
- e) Agriculture had the largest amount retained at the centre, followed by other sectors. UGX 1.66 trillion was retained at the centre that should have been allocated to local governments.
- f) Funds proposed for reallocations are: 28% for agriculture; 19% for water sector; 9% for health; 8% for education; 8% for social development; and 1% for works. These percentages would have been reallocated to local governments without seriously affecting funds available for central-government entities.

## Recommendations:

- a) **Reallocate Funds from MDAs to LGs:** Parliament should consider reallocating up to UGX 1.07 trillion from central government to LGs.
- b) **Rationalise Resources to Free up Funds to LGs:** MDAs had resources that can be rationalized to free resources for LGs – about UGX 530 billion.
- c) **Fiscal Decentralisation Strategy:** The MoLG and other stakeholders should implement the fiscal decentralisation strategy.

- d) **Transparent Resource-Allocation Formula:** The Ministry of Finance, Planning and Economic Development (MoFPED) and Finance Local Governance Commission should, while determining funding allocations to local governments, *use a transparent formula* that considers variables considered key to LG service delivery mandate.
- e) **Involve Local Governmentss in Negotiations:** MoFPED should ensure representation of LGs during negotiations with development partners for development financing.

Mr. Ggobi concluded that “the future seems to be bright” for decentralisation, though he did not indicate whether these financing challenges were accidental consequences of simple technical oversight. He added that Parliament agrees with these findings as per the quoted extract from a report of the Parliamentary Committee on Budget for 2019/2020. The quoted report indicated that many programs are designed, budgeted and managed at central government level but implemented at local government level, yet they can be more optimally provided by LGs and at lower costs. It remains unclear whether Parliament as making strides to have the executive address these issues as the basis for envisioning a bright future for decentralisation.

### 3.3 Plenary Session: Questions and Comments

#### 3.2.1 Questions

**Martin Onyach-Olaa:** are we following delegation form of decentralisation or devolution? We seem to be more successful in political but not in fiscal and administrative decentralisation?

**Betty Muzanira-Bamukwata, WomanMP Rungiri District & Shadow Minister for Local Government:** Why is the MoLG taking over responsibilities from local governments and using the money that should be allocated to LGs back to the centre?

**Gertrude Rose Gamwira, ULGA Secretary General:** Responded to the rhetoric about lack of capacity in LGSs, adding: “We need to redirect our attention to the role of central government MDAs in developing the capacity of LGs. Why are central government MDAs not held accountable for not capacitating LGs?”

**Richard Ssewakiryanga, NGO Forum:** he thanked the presenters for the studies, and commented that there is no empirical analysis on the trend of participation of women that the presenter highlighted. Why is that not articulated properly? There is inherent tension in these two studies: there is optimism but the numbers show that our mouths are not where the food is! How do we reconcile this tension? Is the amount of resources an indicator of success of a governance approach?



*Figure 7: Mr. Richard Ssewakiryanga, the Executive Director, Uganda National NGO Forum asking Questions*

**Patrick Okello-Oryema, Chairperson, Nwoya DLG:** The Prime Minister stressed one of the challenges of LGs as attitude – both technical and political – in both central-government MDAs and LGs. Is not the Centre reflecting on their attitude toward local governments? How does central government treat LGs? There is a recurrent challenge of interference from central government – setting the pace and then withdrawing, controlling recruitment, recentralising some departments and functions, etc. *Attitude is constraining both ways and hinders effectiveness.* The CAO/Nwoya was compelled [apparently from some central government source] to approve the beneficiaries of Cashew Nuts production/growing scheme in Nwoya, without due process involving the DLG executive – the CAO [Chief Administrative Office] is on fire but the district has refused approve the beneficiaries imposed by central government!

**Stephen Asimwe, RDC, Kabarole:** his comment was on capacity building. He said the CAOs and other personnel sent to districts are highly-educated people, yet the councilors [who are expected to hold these technocrats accountable] are uneducated – Technocrats are held to account to semi-illiterate councilors! “When you talk of capacity building, there the buildings are collapsing.” The lack of education for district and other LG councilors makes it difficult for technocrats to engage semi-literate elected leaders and representatives in a more meaningful way. There is, he added, the tendency to transfer non-performing CAOs from one district to another without addressing the causes of their poor performance. One of the proposals should be qualifications of councilors and the role of Public Accounts Committee of LG Councils.

### 3.3.2 Responses

The Permanent Secretary, MoLG stated that breakout sessions should detail responses to some of these issues. He insisted that the conference should receive the findings, which “are factual and research-based”, and need only improve and approve them in breakout sessions. He said the “principle of suitability” informs deployment decisions “as long as there is no criminal element involved in these deployment [or transfer] decisions”. He requested stakeholders from the Ministry of Education and Sports (MoES) to comment on the question of education qualifications for local government councilors. He said “there may not be a direct answer to Hon. Muzanira’s question” – on why central government is taking over responsibilities from local governments and using the money that should be allocated to LGs back to the centre – except where plenary discussions generate such an answer. He invited the chairperson of the Local Governments Public Accounts Committee (LGPAC) to make contributions.

The Chairperson of the LGPAC, Judith Frank Akello, also Chairperson Parliamentary Committee on Public Accounts, was impressed with the findings. She called on other MPs to take part in debating these issues as “representatives of the people of Uganda [who] are also concerned about service delivery to the people of Uganda”. Specifically, she guided them to interrogate whether the monies sent to LGs are used well and whether there is value for money. This is consistent with their role as a Committee of Parliament.

She agreed with previous speakers’ emphasis that “we need a strong decentralized system of governance if we are to realise service delivery at local level.” Strong systems of accountability, she added, play a key role “to the extent that whatever monies go to LGs should be put to good use. It is difficult for the committee to hold accountable public officials in LGs who receive little pennies” – and this trend [of declining financing to LGs], she feared, may worsen as the country heads toward the 2021 elections.

She said she would have loved to have the Secretary to the Treasury, Keith Muhakanizi, attend and discuss the findings and explain why monies intended for local governments are retained by central government MDAs. She added that while the MoLG has the goodwill to help LGs, it is also too incapacitated to assist the LGs under it: “If you are also incapacitated, how able are you to build the capacity of LGs?” She indicated that for many years parliament has not received reports from Public Accounts Committees of Local Governments – since 2009 – mainly because these District Public accounts Committees (DPACs) lack capacity. They rely on the CAO whom they are supposed to hold accountable. She blamed cabinet for some of these challenges, adding: “most of these challenges can only be addressed by cabinet” because most MPs have made their demands but have not been successful. Here is need for “some change of attitude of cabinet toward the people of Uganda”.

**Hon Godfrey Onzima, Chairperson, Parliament’s Public Service and Local Government Committee:** he revealed that “these issues raised by researchers are not news to committee members.” Previous engagements with local leaders have revealed to the committee that these issues are commonplace – had the researchers engaged with the committee they would have found no reason to

interview other informants. Most of these issues – limited capacity, funding, staff gaps, poor coordination – have always been raised by Parliament. He said the Uganda Management Institute (UMI) was established to build capacity of civil servants, but parliament's efforts to pursue this line to build capacity of councilors have not been addressed. The committee had advocated that transfers to LGs should be stipulated in the law in order to create legal compulsion for minimal amounts of budget transfers to LGs. The issue of staff gaps resulted from the ban by government over availability of salary monies – yet the government continues to create new LG structures. He added that in many areas there are issues of nepotism as “daddies are waiting for their sons and daughters who are still in [education] institutions.” Failure to attract personnel in some areas is also problematic – e.g. engineers, health workers.

*On Accountability vs. capacity of internal auditors:* Hon Onzima insisted that the CAO is the accounting officer, and the internal auditor is a LG staff under the CAO. This is a contradiction: internal auditors may not identify problems of misuse of money – hence playing more of a corrective role to the CAO than helping to hold the CAOs accountable. District PACs' reports are not taken care of. There are gaps between DPACs and the accountability Committee of Parliament. He called for coordination and embracing of reports from DPACs by Parliament. In some districts where “they can hardly raise UGX 100 million”, and now taxable areas are brought under URA, the Committee recommended that District Councilors' sittings should be facilitated from central government. Local economic development, he added, has also been relegated.

*On Coordination:* the inspectorate department of the MoLG and other entities are not doing enough work. They leave LGs alone, on their own. Retaining money in the centre undermines LGs and contradicts the spirit of decentralisation: ministries should work to oversee district works, and collaborate with districts to manage huge projects.

He added that in some districts opening a kilometer of a new road costs about UGX 25 million to districts. Yet, ministries indicate that it might cost UGX 42 million – almost double the cost that LGs would have incurred. He said there is no clear explanation for these differences and failures of central government MDAs to give such monies to districts which may attract cheaper service providers.

*Devolution or otherwise?* The question of whether Uganda is implementing devolution or delegation is unclear – some things are devolved, others are delegated.

He concluded that the challenges highlighted by the studies arise from failure and unwillingness to adhere to the decentralisation policy.

**Rosemary Nansubuga Sseninde, State Minister for Education:** she recognized all present and thanked the MoLG for organizing a conference in which the impacts of decentralisation are discussed to propose mitigations for challenges being faced. She assured everyone that government is willing and has a good attitude toward the people of Uganda through decentralisation and is still committed to the policy. “We work as one government, and this is why the MoLG has organized this conference and I am here as Minister for Primary Education. I should have loved to see other ministers here ... because the issues that affect education may not differ from the issues that affect health.”



She thanked ACODE for these reports, and stated that they have gathered a lot of information. She promised to take the issues raised [by the studies and the conference] to the ministry of education, have them discussed, and use them to inform improvements in primary education. She was glad that some monumental achievements have been made in decentralisation. There are also challenges affecting the ministry of education and concerns over the issue of monies (accountability and value for money). National sector priorities are implemented by ministries to deliver sector goals. External funding (loans and grants) also come with conditionalities – for example: the Uganda Teachers Effectiveness Project is implemented by Central Government because of conditionalities. “There are certain things that are beyond us as a government, as a country.” But once the overall goal is achieved, we all achieve and share.

The issue of capacity, she said, is key and is concerning to most stakeholders: some people have misconceived decentralisation to mean localization – recruiting their own sons and hence entrenching corruption, nepotism and misapplication of guidelines, standards and procedures from line ministries.

She said that non-adherence to construction designs and specifications, as issues by the ministry, is also affecting service delivery. She decried the tendency to exclude and ignore delegated field officers (field engineers and engineering assistants) in construction of certain projects, as local governments work with contractors, do shoddy work, leading to inadequate service delivery. “I do appreciate that there is poor capacity of local contractors but we need to improve on the way we are doing things.”



Figure 8: L-R: Dr.Arthur Bainomugisha (E.D, ACODE), Mr. Ben Kumumanya ( Ps, MOLG); Hon. Rose Seninde (The Minister of State for Education and Sports); Hon.Godfrey Onzima (Chairperson of the Committee on Public Service and Local Government Committee of Parliament); and Hon. Franca Akello (Chairperson of Parliamentary Committee, Local Government Public Accounts Committee.

Hon. Sseninde added few other challenges: value for money is still lacking. Some projects (under health and education) face challenges of land where these projects are to be located. Local government leaders are confused about location of local development projects. Decentralisation is also affected by sub-national political squabbles. Poor supervision of civil works leads to shoddy work. There are many other issues that need remedies.

The State Minister, again, thanked everyone for the conference and believed everything was being done and said with a good heart to make sure everything moves in the right direction to make Uganda a benchmark for other countries through ethical conduct, fight against corruption, and enhancing local development. She delivered greetings from her Cabinet Minister, “Maama Janet Museveni, who would have loved to be here but because I am here, she is also here.”



## 4.0

## SESSION TWO - PARALLEL BREAKOUT SESSIONS

The Parallel Breakout Sessions followed a coffee break. They lasted 01 hour. They were broken down in four thematic areas. Each thematic group was chaired by a senior public servant, mainly technocrats from local governments and development experts. The thematic groups were: **Local Government Financing** (Nile Hall); **Local Economic Development** (Ssezibwa Hall); **Local Government Infrastructure Development** (Nile Hall); and **Local Government Systems and Structures Improvement** (including strengthening the functionality of LGs Councils, technical aspects like staffing and functionality, and Urbanization (Rwizi Hall). Each of the sessions was facilitated by senior local government practitioners and other experts, and had a rapporteur.

#### 4.1.1 Local Government Financing

This Session covered issues related to effects of the Public Finance Management Act (PFMA), 2015, on LG grants, releases and the wage bill; local revenue collection and management; development-partner (donor) contributions to LG budgets; public budget systems (PBS) and Integrated Financial Management System (IFMS); and Involvement of the Private Sector in local government financing.

#### 4.1.2 Local Economic Development (LED)

This session covered methodologies, adoption, opportunities and inhibitors for rolling out LED; structures and main actors in LED; and status of implementation of LED initiatives in current local governments.

#### 4.1.3 Local Government Infrastructure Development

This covered issues related to service-delivery in areas like roads, schools, health facilities, and water and sanitation.

#### 4.1.4 Local Government Systems and Structures

This was a session dealing with structures and systems, including but not limited to: functionality of political structures like Local Government (District, Municipal, Sub-County, and Town Council) Executives and Councils; staffing and functionality of technical structures under local governments; coordination and review mechanisms within LGs; and urbanization (creation of new Cities, Municipalities and Towns) and its implications for service delivery and local development at sub-national level.

## 4.2 Session Three: Presentations from Breakout Sessions/ Thematic Areas

Each of the Group leaders/facilitators highlighted the issues raised in thematic group discussions. The sub-presentations arose from group discussions in which key issues were raised under the corresponding thematic area. Table 1 shows the key issues and recommendations made from each of the group sessions.

**Table 1: Breakout Sessions, Key Issues, and Recommendations**

Key Issues	Recommendations
<b>Session Theme 1: Local Government Financing</b>	
<p>LR percentage of the Budget is very minimal: on average 2% - Kibuku District – 0.2%; Jinja District – 10.4%; Kapchorwa MC – 0.6%; Kira MC – 35%</p> <p><b>What is working well</b></p> <ul style="list-style-type: none"> <li>Support supervision for LRM is taking place to provide guidance</li> <li>Some utilities are tendered out, which has improved local revenue</li> <li>LG have made efforts to recover monies from defaulters, given that tax payers do not want to pay taxes</li> </ul> <p><b>What needs improvement</b></p> <ul style="list-style-type: none"> <li>Review the revenue function at LG level in terms of staffing and financing</li> <li>Review and harmonise the various local revenue systems used by LGs – LGFC database, World Bank, E-LoGREV by MoLG and E-tax by GAPP.</li> <li>The political economy of Local revenue should be understood by all stakeholders.</li> <li>LR management should be appreciated as a profession to handle the overall revenue administration in LGs.</li> <li>Share of national budget for LGs has tremendously declined</li> <li>Development Partners interest in the sector and service delivery</li> <li>Ownership – Local Governments, to a big extent, do not appreciate development agenda and are not consistent</li> </ul>	<ul style="list-style-type: none"> <li>Professionalize the revenue function in LGs with a revenue unit, financing and staffing.</li> <li>Harmonise the local revenue databases, come up with an acceptable hybrid and roll out to LLGs as LR collection centres.</li> <li>Increase the share of the national budget that goes to LGs</li> <li>LGs should be represented in grant and loan negotiations</li> <li>Align development partner support to local governments</li> <li>Build and invest in <i>strong leadership</i> that can dialogue</li> <li>Create an active synergy point at the LG level to harmonise Development Partners</li> <li>LGs need to be responsive – Adhere to timelines and commitments</li> <li>Development partners working in LGs should be part of the Decentralisation Sector Working Group</li> <li>Have a holistic LRM management process – Comprehensive Revenue and tax registers, participatory approach, engage the private sector</li> <li>Central government should compensate LGs for lost revenues</li> <li>Identify new revenue sources</li> </ul>

Key Issues	Recommendations
<ul style="list-style-type: none"> <li>○ Alignment of systems – Publicise what is working well but also have systems that work</li> <li>○ Harmonise DP support both geographical and thematic.</li> </ul>	<ul style="list-style-type: none"> <li>○ Engage private sector and market LGs using the media, internet, direct lobbying, writing proposals, offering attractive land for industrial parks and other investments, and putting in place necessary utilities</li> </ul>
Session Theme 2: Local Economic Development (LED)	
<p>LED is a process that stimulates investments in a given territory. The sixth Pillar for the Decentralisation policy, LED is guided by a LED policy and strategy (2014), and is a partnership between government, private sector, and the community.</p> <p><b>Some things are working well under LED initiative:</b></p> <ul style="list-style-type: none"> <li>▪ Policy framework – LED policy, Decentralisation policy, PPP policy, NDP</li> <li>▪ LED enablers – Operation Wealth Creation (OWC), YLP, UWEP, infrastructure development.</li> <li>▪ LED has been adopted in national planning framework – NDPs</li> <li>▪ Political structure – functioning local governments (Local Councils) for promoting LED.</li> </ul> <p><b>What needs to be improved:</b></p> <ul style="list-style-type: none"> <li>▪ Planning at local government levels should focus on identifying comparative/competitive advantage.</li> <li>▪ Mind-set of all leaders and the communities to create a mass of corporate entrepreneurs interested in agri-business and agro-industrialisation.</li> <li>▪ Appropriate structures at the centre and local level to effectively implement LED.</li> <li>▪ Engagement of the private sector and communities in the promotion of LED. LED is a partnership, not a responsibility of government alone but a tripartite between government, CSOs and private sector</li> </ul>	<ul style="list-style-type: none"> <li>▪ Promote territorial planning since districts are heterogeneous – have different endowments</li> <li>▪ Align relevant policies e.g. LED, decentralisation, trade, PPP, NDP into a coherent “Policy Whole”.</li> <li>▪ Develop a catalogue of LED initiatives, profile them and disseminate the information widely.</li> <li>▪ Mind-set change – drawing upon the training and mentoring leaders and communities in Kampiringisa</li> <li>▪ Encourage zoning of economic activities e.g. identify at most three crops to promote in a given locality.</li> <li>▪ Sensitize stakeholders on the concept of LED, the policy, drivers and networks.</li> <li>▪ Support actors e.g. farmers to meaningfully engage in viable agricultural projects. Provide credit, information (production and market)</li> <li>▪ Enhance coordination of efforts between different stakeholders – e.g. MDAs, donor community, private sector and academia to play their roles in promoting LED</li> <li>▪ Prioritise partnerships and collaborations with research institutions</li> </ul>

Key Issues	Recommendations
<ul style="list-style-type: none"> <li>Local authorities should market and benefit from locally-available opportunities in tourism, natural resource endowments, and investment attraction</li> <li>Political leaders are not yet beholden to baselines and delivery commitments that connect leaderships and electorates in terms of delivery on development</li> <li>Government policy priorities and interests should be refocused in order to inform community-based mind-set change necessary for LED</li> <li>LED has not attracted critical mass of local investors, capacitated them, financed them, and focused them on priority investments</li> <li>LGs are willing and ready to provide the necessary land to attract and host investors in LED industrial parks at district level.</li> </ul>	<ul style="list-style-type: none"> <li>Competitive mapping should inform localized planning and investment</li> <li>Harmonise, coordinate, and utilize existing development platforms, such as LED propagation team, LED resource team at district level, and increase financing for these platforms</li> <li>Increase visibility and awareness about the LED policy and strategy: e.g. every district has an industrial park but “most of them are empty”.</li> <li>Establish a LED fund to create cheap money for LGs and local communities to propel local investments</li> <li>Strengthen LG structures responsible for LED, and ensure that every household has an enterprise.</li> <li>Create a critical mass of local investors, capacitate them, finance them, and focused them on priority investment areas – local investment financing should be a priority</li> </ul>
<b>Session Theme 3: Local Government Infrastructure Development</b>	
<p><b>Things that are going well:</b></p> <ul style="list-style-type: none"> <li>Planning and budgeting Process</li> <li>Monitoring and supervision</li> <li>Kilometers of roads increased.</li> <li>No. of classrooms increased leading to increased enrollment.</li> <li>Rational allocation of resources</li> <li>Reduced Kilometres to health facilities</li> <li>Increased access to safe water</li> </ul>	<ul style="list-style-type: none"> <li>Central Government should facilitate the development Physical Development Plans for the Local Governments</li> <li>There is need for increasing Staffing levels for the responsible departments both at the district and urban authorities</li> <li>Capacity building for both technical and political officers</li> <li>Provide for O&amp; M for projects in the local governments</li> </ul>

Key Issues	Recommendations
<b>What needs to be done/Improved</b> <ul style="list-style-type: none"> <li>▪ Funding to LGs</li> <li>▪ Decentralize procurement</li> <li>▪ Staffing</li> <li>▪ Remuneration</li> <li>▪ Review PFMA</li> </ul>	<ul style="list-style-type: none"> <li>▪ Environment mitigation</li> <li>▪ Reformulate local governance as LED drivers so that local development becomes the cardinal business of local government authorities and systems.</li> </ul>
Session Theme 4: Local Government Systems & Structures	
<b>What's working well</b> <ul style="list-style-type: none"> <li>• Policy, legal and regulatory frameworks.</li> <li>• Elections at LG level.</li> <li>• Role differentiation of committees of council and committee for council.</li> <li>• Councils on “overall” discussing service delivery.</li> <li>• Most districts have fully constituted councils.</li> <li>• Chairpersons are endeavouring to deliver on their mandates.</li> <li>• The reforms have improved in many ways – wastage, bureaucracy, decision making among others.</li> <li>• Attracting highly skilled staff e.g Parish Chiefs U7 – U4.</li> <li>• Naming of staff in lower positions.</li> <li>• Re-organization of the audit unit and other departments for better staffing.</li> <li>• Responsive to local, national and regional dynamics</li> <li>• At least ¾ of the Municipalities have physical plans.</li> <li>• Majority of urban councils have surveyed roads and put beacons/mark stones to avoid encroachment.</li> <li>• Majority of urban councils have enforced construction of water borne toilets.</li> <li>• Every project has complaint of greenery in the bill of quantities.</li> <li>• Government has put cameras in selected areas in few urban areas in Kampala and neighbourhoods and this has helped in identifying culprits.</li> </ul>	<ul style="list-style-type: none"> <li>• There is need for more focus on the legislative part as other than areas of representation and oversight.</li> <li>• Undertake review on structural roles of audit committees and LGPACs as duplication of work is apparent.</li> <li>• Establish time limit for bye-elections in case of vacant positions in council.</li> <li>• Creation of the new LGs comes with a financial certificate. The newly created LGs should be allowed straightaway to recruit staff instead of having Ministry of Public Service to clear them.</li> <li>• Political leaders, especially LG councillors, should be continuously capacitated and supported in executing their mandates before taking office while in office and after leaving office. There should balance between new blood and old one for institutional memory.</li> <li>• A forum should be created or formulated between urban and rural authorities to enhance intra- and inter-agency collaboration in various areas e.g. administration, management and other related governance issues.</li> <li>• Technical staff should be on contract other than pension to enable evaluate their performance against the set targets.</li> </ul>

Key Issues	Recommendations
<ul style="list-style-type: none"> <li>• Many areas and construction works do not have structural and detailed physical development plans.</li> <li>• Building capacities of the existing internal physical planners to handle the mandate of physical planning effectively.</li> <li>• Attracting the qualified personnel in positions like engineering and treasurer.</li> <li>• Management of assets still poor.</li> <li>• Mismatch of mandates based on the revenues</li> </ul> <p><b>What needs improvement</b></p> <ul style="list-style-type: none"> <li>• Central government focus on national (parliament) than LGs where bye-elections are concerned – not time frame.</li> <li>• Financing of the LG structures especially the LLGs.</li> <li>• Reforms are many, rapid and not backed up with technical support.</li> <li>• Regular elections are for LGs not Local Council (administrative) making the LGs “cripple” in service provision.</li> <li>• Literacy levels need enhancement given the resources put into education schemes – UPE and USE.</li> <li>• The political leaders to shift their perspectives from representation, legislation and oversight to wealth creation.</li> <li>• Creation of new LGs (Lower and higher)</li> <li>• Piecemeal implementation of HR reforms and against the recommendations.</li> <li>• Though some staff have been given new titles their roles and responsibilities have not been changed.</li> <li>• Financing of the reforms being inadequate where some LGs have between 30% - 70% staffing levels (critical minimum).</li> <li>• The need to recognize the political leaders as “staff” of LGs.</li> </ul>	<ul style="list-style-type: none"> <li>• Enact standards on the minimal staffing levels a LG should have so that LGs have at least minimal and critical personnel.</li> <li>• Government should lower some requirements for key positions like engineers, accountants, etc</li> <li>• Government provide enough funding for physical planning in LGs.</li> <li>• LGs should seek for cheaper options, say using Makerere University Physical Planning department, to undertake some functions at LG level.</li> <li>• Beneficiaries should be much involved in the infrastructure development of their localities to minimize costs of compensation.</li> <li>• Strengthen enforcement in all areas, say environment, garbage management, among others.</li> <li>• Local legislation to curb urban practices in areas of: moral decadency, hygiene, sanitation, security, and road reserves, etc.</li> <li>• Conduct a study on polluter-pay, and benchmark from neighbours (Kenya) and other areas.</li> <li>• Involve municipality authorities in matters of land allocation within their jurisdictions.</li> </ul>

Key Issues	Recommendations
<ul style="list-style-type: none"> <li>• LGs operating “unofficial” structure a hybrid between the old and new structure.</li> <li>• Inadequate funding of the DSC to handle HR issues.</li> <li>• Attracting, recruiting and retaining some of the key staffs e.g. certified Engineers, Physical Planners, Doctors, among others.</li> <li>• Staff orientation as many learn on the job</li> <li>• Delinking Urban and rural authorities.</li> <li>• Some MDAs are not responsive to their mandates.</li> <li>• Vandalising of government facilities as there is no longer “security” at LG level – Police is overstretched.</li> <li>• Litigation costs are quite too high</li> <li>• Involvement of higher LGs in capacity building for lower local governments.</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritize mind-set change to leaders, communities, and other stakeholders.</li> </ul>

**Source: Conference Proceedings and Deliberations**

### 4.3 Resolutions and Commitments

- There is need to focus on building strong systems of accountability at the Local Government Level. This calls for strengthening internal audit and the district level and elevating it to a department. Staffing of the department is also very critical for its performance. There is need to strengthen the District Public Accounts Committees and other standing committees of council for them to perform their oversight function.
- *Support efforts to improve functioning of Local Government Systems.* There need for continuous support to efforts geared towards improving the functionality of local government systems, both technical and political.
- *Mind-set and attitude change* is a necessary and urgent consideration in local governance and local economic development given the country's development aspirations, sectoral changes in local governance, and global development demands. This is required from policymakers, implementers at central and local government levels and other non-state stakeholders.
- *What Form and Why Decentralisation:* Uganda's decentralise governance has not, in practice, become full devolution despite constitutional and legal stipulations. Apart from political devolution, fiscal and administrative decentralisation is at best delegation. There can be improved service delivery and local development without decentralisation; there can be improved service

delivery and local economic development through decentralisation. Therefore, the core purpose of decentralised governance needs to be articulated as the MoLG becomes a sector

- *Sustainable urbanisation* and cities are the current thing: as Uganda creates more cities, municipalities and other urban areas, the need for stakeholder engagement in green, clean, and sustainable urbanization is urgent
- *Uganda's endowment* should create incentives among all stakeholders to propel the country's development journey
- *Capacity development* is a continuous process that needs not just prioritization but continuity and adaptation to rapid changes
- The requirement for *100% critical staffing levels* is urgent and every district should work hard to ensure sufficient staffing levels are in place. The districts local governments should indicate departments lacking critical staff so that the MoLG can engage the Ministry of Public Service and MoFPED on staff ceiling and wage bill. On where the LGs have not been able to attract staff, the PS requested LGs to report to the MoLG their failure to attract staff so that they can be assisted in the recruitment and deployment of qualified and competent personnel.
- With regard to local revenue, it was re-echoed that Local Governments have inadequate local revenue due to poor revenue mobilization and administration. It agreed that there is need to *support the local governments in local revenue generation, mobilization and administration* to facilitate functionality on the local government structures.
- *Enforcement of policies and laws* is incumbent upon every LG leader and Ugandan to realise the country's development aspirations
- *Commitment to regional and international obligations*: Uganda is signatory to many regional and international protocols and treaties, like Maputo Declaration prescribing 10% national-budget allocation to agriculture, yet Uganda seems not to be following these instruments
- There is need to *harmonise laws and policies*, such as LGA and PFMA; ensure joint sectoral reviews; and find innovative ways of attracting investors in districts and new cities; capacitate a domestic investor class; strengthen institutional systems and processes; and strengthen PPPs in local investments. The Permanent Secretary, MOLG noted that the process for amendment of the PFMA to harmonise with the LGA is underway and needs to be fast tracked.
- *Funding vs. corruption*: whether or not improved financing will lead to improved service delivery and local economic development is the function not just of capacity of LGs but also of anti-corruption institutions to bite hard enough.
- *Inspection, Supervision and Monitoring*. It was noted that inspection, supervision and Monitoring functions are not matched with requisite resources both at the ministry and local government levels. It was therefore noted that the MoLG needs support both from central government and development partners to realise this function.



- *Local Economic Development (LED)*. It was agreed that LED is not fully developed in the LGs.
- *Private Sector Financing for LGs*. As part of the strategy for improving LG financing, the LGs should explore avenues for private sector financing as off budget support for infrastructure development (roads, schools, health centres, furniture etc... ) and other services.
- *Operation and Maintenance (O&M)*. This should be included in the local government budgets to sustain implemented projects.
- *Strategic Engagement of Central Government on Local Government Financing*. The Local Government Sector Stakeholders should prioritise to strategically engage the Central Government on releasing resources meant for the LGs as specified in one of the studies.
- *Continuous Capacity Building of LGs*. The operating environment in LGs is changing. This therefore warrants continuous capacity building for the LGs especially political and technical officers. The Ministry and development partners should prioritise and support capacity building efforts for technical officers and elected leaders.

## 4.4 Official Closure

### President, ULGA, Mr. Joseph Lomonyang

- The president of the Uganda Local Governments Association (ULGA) thanked the conveners for the conference, and said it was a great opportunity for sharing, learning and strategising.
- He expressed fears about the operationalization of new LG units, in the context of staffing gaps, financing limitations, ban on recruitment of more local government personnel and transition toward sector.
- He said the world is moving fast, is globalizing, and that relaxation on standards, such as on roads, is counterproductive
- He warned participants against environmental damage, and asked participants to take environmental protection seriously. He concluded by thanking conveners once again – MoLG and ACODE – for the conference.

#### 4.4.1 Permanent Secretary, MoLG

The Permanent Secretary gave concluding remarks. He thanked ACODE for seriously working to bring the conference to fruition. He promised to work with stakeholders to improve the implementation of decentralization policy in order to deliver higher returns on development, based on the realisation that: “If we adopt and operationalize products of today’s discussion, we can address the issues that have been raised.” He called upon participants to “create champions of dialogue, champions of decentralisation, champions of innovative revenue generation”, and champions of stakeholder engagement.

He insisted that LGs should report to the MoLG their failure to attract staff so that the ministry can assist them, promising to help LGs that report challenges of attracting qualified and competent personnel. He agreed with the ULGA president that we cannot lower standards of delivery at district level: “Whatever you cannot carry, there is enough framework, and you carry to your partner, which is Central government, and we carry.” He quoted the relevant law that allows local governments to seek central government support for measures to assist these LGs to function more optimally.

He called on participants to leave with a changed mindset, change lamentations, stop attacking each other, and instead complement each other toward similar goals. He called upon everyone to serve the population. Stressing his apparent conviction that decentralisation is a good policy approach to the country's development, he insisted that “it should be made clear to everybody in service that only by supporting decentralisation will officeholders deliver their mandates to the population”. This will lead to “improved returns from decentralisation.” Declaring the conference closed at 06:08pm, the Permanent Secretary wished “everyone journey mercies as we strive to carry the flag of decentralisation to higher ends.”

## 4.5 Conclusion

The task of taking stock of a policy process that has been ongoing for almost an entire generation is by no means an easy undertaking. Not so in a single day's intellectual engagement on a subject that has political, technical, financing, multi-stakeholder and multi-issue implications for national development. The National Conference on Decentralisation tried to unveil the impact of various policy practices on funding and service delivery under decentralized governance as far as the findings and analyses of the two studies could reveal. Thanks to the supporting partners – USAID and UKaid under the GAPP Program – and the collaborating partners (MoLG and ACODE), the conference provided an opportunity to highlighting the most-pressing issues related to: local government financing; local economic development (led); local government infrastructure development; and local government systems and structures.

The Conference on Decentralisation took stock of the service-delivery and development implications of financing local governments so as to enrich understanding of the efficacy of the country's decentralisation policy. Participants assessed the implementation of decentralisation policy and its impact on the deepening of democratic governance in Uganda, highlighting the implications for citizens' participation through elected leaders and representatives. The conference acted as a forum for representatives of central and local governments, development practitioners, civil society organisations, academia, media and development partners, to share lessons and experiences of implementing the decentralisation policy since 1993. This helped to generate policy and practical ideas on how to influence budget allocations in favour of local governments, how to refine priorities under the new sector-approach to local governance, adaptations to urbanization pressures in the country, and the importance of attitudinal and mindset change and anti-corruption in turning local governments into engines of local economic development. Accordingly, the following key issues constitute important recommendations for urgent attention by the MoLG, LGs, development

partners, private sector and other stakeholders in laying ground for decentralized socioeconomic transformation:

- **Gains Made, Challenges Remain:** Decentralisation in Uganda has changed the political landscape at sub-national level, allowing citizens to participate in governing their areas, and provided space for training of local politicians. After 26 years, however, several challenges remain: financing limitations, local personnel capacity, infrastructure underdevelopment, mind-set and attitudinal challenges among many stakeholders, poor work ethic, over-politicisation of local development, and the sheer immensity of the challenges of development. Some participants insisted that there is need for “some change of attitude of cabinet toward the people of Uganda” in respect of local governance.
- **Inter-Governmental Relations:** IGRs between national and sub-national state authorities are not consultative, participatory, and unfit for holistic development.
- **Negotiation of Development Support:** Local governments have not been involved in negotiations with donors especially on projects and interventions that have direct bearing on local governments’ performance.
- **National and Resource Fragmentation:** In many respects decentralisation has created incentives and demands for creation of more and more unviable local government structures, leading to national fragmentation, political pressures, increases in costs of public administration, and fragmentation of state resources.
- **M&E of the Policy:** Has decentralisation been evaluated, its successes and failures highlighted and possible modifications – or even reversals – considered? There is limited empirical basis for considering decentralized governance successful or otherwise without in-depth M&E studies.
- **Education Qualifications of councillors** remains a recurrent challenge in local governments, yet Parliament has not fully addressed itself to this legal question.
- **The role of Public Accounts Committee of LG Councils** should be strengthened and entrenched in LGs’ accountability mechanisms.
- **Funds retained at Centre:** Considerable amounts of funds which would be allocated to local governments, and which are intended for decentralized service delivery and local development, are retained by central-government ministries, departments and agencies (MDAs). The 2019/2010 National Budget contains more than UGX 1 Trillion that ought to have been allocated to local governments but was retained by MDAs.
- **Local Governance now a Sector:** The ministry of local government was recently redefined as a sector. This implies that it can receive funding as one of the country’s development sectors. Yet, it embraces almost all sectors, and cuts through and across them, making it a hybrid sector.
- **Annual Reviews stalled since 2016:** Decentralised governance requires periodic review. Since 2016, annual reviews of decentralisation have not been made, making it difficult to assess progress, address challenges, and innovate new ways of improving local governance.

- **Knowledge, understanding, and appreciation of decentralisation:** stakeholders' general knowledge, understanding, and appreciation of decentralisation obtains among local government technical and political officials. But limited awareness is had on how LGs can find novel ways of addressing wealth-creation and local development issues beyond nationally-planned and budgeted interventions.
- **Priorities under LED and new Sector:** Development priorities under Local Economic Development (LED) and the MoLG reconstituted as a new Sector need to be specified. When engaging development partners to finance local governments, these cross-sectoral priorities should be stated with much clarity to make them easily appreciated by development partners.
- **Clarity and Coordination:** within LGs, between LGs and Central Government, and within central government, there is limited coordination and lack of clarity of responsibilities. Different MDAs interacting with LGs work in silos. Different LG authorities also work in silos, sometimes even within the same district. Some development partners know little about the need for intra- and inter-governmental coordination, thus worsening ambiguities in LGs.
- **No service delivery Standards:** most local governments *lack service delivery standards*. Only 5 out of 19 sectors have service delivery standards. The local governance sector will work with the National Planning Authority (NPA) to ensure that these standards are developed for improved service delivery.
- **Interventions of Development Partners not Harmonised:** some development partners have not harmonised their interventions and operate in similar regions and districts, and on similar projects and activities. This duplicates interventions, services and personnel efforts. Some partners insist on working with more responsive districts, or specific districts, which precludes other districts.
- **Mind-set Change:** Mind-set change is a necessary and urgent consideration in local governance and local economic development. Citizens, local leaders, and other stakeholders have not adjusted their mind-sets to the urgent development needs of local Uganda, which militates against innovations and adaptation.
- **Sustainable Urbanisation:** Sustainable cities are the current global need: as Uganda urbanises, the need for stakeholder engagement in urbanization is urgent. The establishment of green cities, municipalities and towns seems not to have been prioritised by local-development planners and practitioners.
- **Holistic, Inclusive Development:** Uganda's endowment should create incentives among all stakeholders to propel the country's development journey. But local governments, which are closer to the people, have not been adequate champions of holistic development, leading to perpetual poverty in rural communities.
- **Continuous Capacity Building:** Capacity development is a continuous process. It requires prioritization, continuity, and adaptation to rapid changes.
- **Staffing and Personnel:** The requirement for 100% staffing levels is urgent. Every district or other local government authority should work hard to ensure sufficient staffing levels are in place.

- **Structural Changes:** As the MoLG transitions to a Sector there are structural changes and adaptations that are needed at central and local government levels. These would be useful during planning and building of new cities, infrastructure projects, and service delivery, in an environmentally-sustainable manner.
- **Whither Local Revenue, the Blood and Soul of LGs:** The lifeblood of local governments, local revenues, is being eroded. Districts raise only about 2% of their revenues coming from local revenue sources. The situation is highlighted by Kibuku district which receives only 0.6% of its revenue from intra-district sources. The limited capacity to generate local revenues to finance LG operations hinders service delivery. Existing opportunities for generating local revenue have been affected by policy changes which allowed the Uganda Revenue Authority (URA) to 'encroach' upon existing revenue sources. New initiatives on revenue mobilisation have been made and new sources are possible.
- **Development Partner Support for PPPs:** Development partners should consider prioritising funding for Public Private Partnerships (PPPs) dedicated to support local economic development (LED), cooperative agriculture, model villages, green and clean urbanisation, and agro-industrialisation in district industrial parks.
- **From service delivery to development sector:** The shift from traditional local governance to a sector creates new challenges and opportunities related to interagency coordination, inter-governmental relations, interest of development partners, new priorities created by new urban areas, and relationships between non-state financing sources and local authorities.



## PICTORIAL

















## Session Two

### Parallel Break out Session

12:00 – 2:00 pm	<b>1: Local Government Financing:</b> <ul style="list-style-type: none"><li>• <i>Effects of the PFMA on LG Grants, Releases and Wage Bill</i></li><li>• <i>Local Revenue</i></li><li>• <i>Donor contributions to LG Budgets</i></li><li>• <i>PBS and IFMIS</i></li><li>• <i>Involvement of the Private Sector</i></li></ul>	LGFC
	<b>2: Local Economic Development</b> <ul style="list-style-type: none"><li>• <i>Methodologies, Adoption, Opportunities and Inhibitors for its rolling out</i></li><li>• <i>Structures and Main Actors</i></li><li>• <i>Status of Implementation</i></li></ul>	MoLG
	<b>3: Local Government Infrastructure Development</b> <ul style="list-style-type: none"><li>• <i>Roads, Schools, Health facilities, Water</i></li></ul>	MoW&T
	<b>4: Local Government Systems &amp; Structures</b> <ul style="list-style-type: none"><li>• <i>Functionality of Political structures</i></li><li>• <i>Staffing &amp; Functionality of Technical structure</i></li><li>• <i>Coordination and Review mechanisms</i></li><li>• <i>Creation of Cities: Implications for Service Delivery in LGs</i></li></ul>	MoLG
2:00 – 3:00pm	<b>LUNCH</b>	
<b>Session Three</b>		
3:00-4:20 pm	Presentations from Breakout Sessions on Thematic Areas	ACODE
4:20- 5:00 pm	Resolutions and Commitments	ACODE
5:00 pm	<b>Official Closure</b>	MoLG



## ABOUT THE CONVENERS

### MoLG

The Ministry of Local Government is in charge of coordinating the implementation of the decentralisation policy. The mandate is to guide, harmonize, mentor and advocate for all local governments in support of the vision of government to bring about socio-economic transformation of the country.

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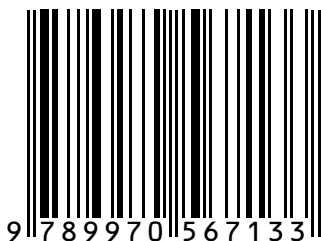
### ACODE

ACODE is an Independent Public Policy Research, Analysis and Advocacy Think Tank. It operates in Eastern and Southern Africa and seeks *To Make Policies work for People*. It has, for five consecutive years, been ranked by the Global-Go-To Think Tanks Index as the best think tank in Uganda and one of the top advocacy think tanks in the world. ACODE's major programs of work are peace, security and democracy; environmental and natural resource governance; and science, technology and innovations.

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### GAPP Program

GAPP is a Programme funded by the USAID and the UKaid. It works to improve the legal, policy, regulatory, and institutional environment in Uganda to enhance democratic governance and engagement of citizens with their local governments.



ADVOCATES COALITION FOR DEVELOPMENT AND ENVIRONMENT (ACODE)

Plot 96, Kanjokya Street, Kamwokya.

P. O. Box 29836, Kampala. Tel: +256 312 812150.

Email: [acode@acodea-u.org](mailto:acode@acodea-u.org) / [library@acode-u.org](mailto:library@acode-u.org)

Website: [www.acode-u.org](http://www.acode-u.org)