MINISTRY OF LANDS, HOUSING
AND URBAN DEVELOPMENT

# 2024 | UGANDA SUPPORT TO MUNICIPAL INFRASTRUCTURE DEVELOPMENT, ADDITIONAL FINANCING (USMID-AF) PROGRAM

## TITLE OF THE PROJECT

**DOCUMENTING LESSONS LEARNED FROM THE 33 IMPLEMENTING LOCAL GOVERNMENTS**

## CONTRACT NUMBER

## PERIOD UNDERTAKEN

## TITLE OF THE REPORT

## DATE OF SUBMISSION

## NAME OF COMPANY

Individual Consultants:

Eng. Ssebbugga Kimeze

Mr. Henry Emoi Gidudu

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# 1. INTRODUCTION

## 1.1 Introduction to the Assignment

The Uganda Support to Municipal Infrastructure Development, Additional Financing (USMID-AF) Program is a follow-on operation to the USMID program that was successfully implemented from Financial Year (FY) 2013/14 to FY 2017/18 in fourteen MLGs. The executing agency is the Ministry of Lands, Housing and Urban Development. The Program Development Objective (PDO) for USMID was to enhance the institutional performance of the 14 program Municipalities to improve urban service delivery. This PDO has been maintained under USMID-AF. The USMID program Municipalities included Arua, Gulu, Lira, Soroti, Moroto, Mbale, Tororo, Jinja, Entebbe, Masaka, Mbarara, Kabale, Fort Portal and Hoima. In the USMID-AF follow-on operation, 08 additional Municipalities were brought on board; these were Kitgum, Apac, Busia, Kamuli, Lugazi, Mubende, Kasese and Ntungamo. In addition, a component that targeted support to 11 Districts Hosting Refugees was incorporated in the USMID-AF Program. This component aimed at improving physical planning, land tenure security, and small infrastructure investments targeting refugees and host communities, that would enhance social cohesion between the two communities

It was therefore decided that as the second phase of the program drew to a close, lessons learned from all participating entities be compiled to form a repository from which the future projects and programs could draw good practises, for a smooth operation.

For purposes of this report, 'lessons learned' were defined as knowledge which was not present at the outset of the USMID AF Program, and which could be helpful in future during the implementation of successor programs. Entities were asked to report these in detail, including a discussion of the context and process through which the lesson emerged; a description of the lesson itself; and any specific recommendations for benefiting from this lesson.

## 1.2 Background to the Lessons Learned Workshop

The Ministry organized a two-day workshop for the targeted entities to share experiences on the implementations and capture lessons learned.

The primary objective of the workshop was to facilitate a structured discussion among participants to identify, document, and analyze lessons learned over the period of implementation, 5 years for some, and 10yrs for the others. Two facilitators namely Mr. Ssebbugga Kimeze, an Engineer and Mr. Henry Emoi Gidudu, a Monitoring and Evaluation Specialist were engaged by the Ministry to conduct the Workshop that took place at Jinja. The duo also have experience in project management

## 1.3 Methodology

A workshop took place at source of the Nile Hotel Jinja on March 27th and 28th, 2024. The first day involved attendees from 11 Refugee Hosting Districts (RHDs), the Ministry of Lands, Housing, and Urban Development, along with officials from the Program Support Team. On the second day, participants from 22 Cities and Municipalities (RHDs) joined, along with representatives from the Ministry of Lands, Housing, and Urban Development, and officials from the Program Support Team.

During the workshop, the Program Coordinator delivered a presentation on both days. This presentation covered various aspects of the USMID program, including implementation details, an overview of the program, financial aspects, achievements, challenges encountered, and lessons learned from the

perspective of the PST. Additionally, facilitators provided a presentation on lessons learned and best practices to enlighten participants further on these aspects

Following the plenary presentations, participants were divided into the under-listed 05 thematic groups to delve into specific areas using prepared tools to enable the capture of lessons learned.

1. Project Management
2. Engineering
3. Environment, Safety & Health
4. Social Safeguards
5. Procurement

Each group conducted discussions and shared experiences within their respective focus areas. Presentations by these groups were then made during the plenary sessions, followed by extensive discussions to exchange insights and lessons learned. Group work served as the primary method for exchanging ideas and sharing experiences among participants.

## 1.4 Participants

The participants in the workshop were from a diverse range of professional disciplines and academic backgrounds, including:

Day 1 (RHDs):

- District Chairpersons
- Chief Administrative Officers
- District Engineers
- Environmental Officers
- Community Development Officers
- Procurement Officers
- Representatives of the Ministry of Lands, Housing, and Urban Development.

Day 2 (Urban LGs):

- City and Municipality Mayors
- City and Town Clerks
- City and Municipal Engineers
- Environmental Officers
- Community Development Officers
- Procurement Officers
- Other staff included -labor officers, human resource officers, physical planners, economic planners, health inspectors.

## 2. OBSVERSATIONS AND KEY LESSONS LEARNED

The summary of the major observations and the corresponding lessons learned are presented in the ensuing sub-sections.

### 2.1 THEME 1 - PROJECT MANAGEMENT:

| ***Thematic issues*** | ***Lessons learnt Key Issue*** *(observation);* ***Success*** *(what worked well);* **Challenge** (what didn't work well) | ***Lessons learnt*** |
|---|---|---|
| a) Project Planning | **Observations**<br><br>**Procurement**<br>• Clustering benefits sharing of experience<br>• Joint supervision and guidance from Central Government is good<br>• Less interference by local people<br><br>**Designs**<br>• Uniformity of designs in clusters<br>• Capacity building in planning for projects<br><br>**Challenges:**<br>• Lack of standard specifications of street lights<br>• Cluster procurement delays implementation in other projects | **i)** Comprehensive project planning, including stakeholder engagement, clear objectives, detailed timelines, and risk assessments, is crucial for successful project execution<br>**ii)** Improving project planning processes, including feasibility studies and detailed project schedules, can result in more accurate timelines and budgets. |
| b) Resources Management | **Observations**<br>• Late processing of payments for contractors<br>• Late re-voting of swept funds<br><br>***Success***<br>• Improved coordination between MLHUD and Ministry of Finance<br><br>***Challenge***<br>• Pandemics (especially COVID-19) | **i)** Efficient allocation and management of resources, including human resources, equipment, materials, and finances, are essential for project success.<br>**ii)** Implementing resource tracking systems and regular performance reviews can improve resource utilization, minimize waste, and optimize project outcomes. |

| ***Thematic issues*** | ***Lessons learnt Key Issue*** *(observation);* ***Success*** *(what worked well);* **Challenge** (what didn't work well) | ***Lessons learnt*** |
|---|---|---|
| c) Risk Management | **Observations**<br>• Analysis of the risks on ground was not done; entities are managing as and when they arise.<br><br>***Challenge***<br>• The Supervising consultants that were engaged as risk mitigators are not fully on ground and do not help entities a lot. | **i)** Proactive identification, assessment, and mitigation of project risks are critical to avoid disruptions and achieve project objectives.<br>**ii)** Conducting comprehensive risk assessments, developing risk mitigation strategies, and regularly monitoring and updating risk registers can prevent potential project delays and cost overruns. |
| d) Budget Management | **Observations**<br>• Affirmative action (amendment of the allocation formula) be considered | **i)** Effective budget planning, monitoring, and control processes are necessary to ensure project financial discipline<br>**ii)** Implementing robust budgeting tools, conducting regular budget reviews, and addressing variances promptly helps maintain project financial health and transparency. |
| e) Quality Control | **Observations**<br>• The use of lab tested materials and products, specifications and technical manuals is a good practice for quality control and assurance.<br>• Emphasize the process of sub-contracting from the main contractor<br>• Consultants not on ground affecting quality. The personnel they leave behind are not the ones that appear in the contract<br><br>**Challenge:**<br>• The Cities and Municipalities do not have qualified Laboratory Technicians to help in testing materials; just depend on Consultants | **i)** Implementing rigorous quality control measures, including inspections, testing, and adherence to standards, is essential to deliver high-quality infrastructure projects.<br>**ii)** Establishing quality assurance plans, conducting quality audits, and providing training on quality standards improves construction quality and reduces rework. |
| f) Reporting | **Observations**<br>• Poor documentation and record keeping<br>• Reporting should go beyond the project manager<br><br>**Success**<br>The site meeting held and updates provided<br><br>**Challenge**:<br>Poor record management | **i)** Timely and accurate reporting, including progress reports, financial statements, and performance indicators, supports effective decision-making and project oversight.<br>**ii)** Implementing standardized reporting templates, regular progress meetings, and stakeholder communication strategies enhances project transparency and accountability. |

| ***Thematic issues*** | ***Lessons learnt Key Issue*** *(observation);* ***Success*** *(what worked well);* **Challenge** (what didn't work well) | ***Lessons learnt*** |
|---|---|---|
| g) Sustainability | **Observations**<br>• Need to have a sustainability plan Like maintaining street lights, kerbs, walk ways, green spaces | **i)** Integrating sustainability principles, such as Operations and maintenance, environmental protection, social responsibility, and economic viability, into project design and implementation promotes long-term project benefits.<br>**ii)** Incorporating green infrastructure, energy-efficient technologies, and community engagement initiatives can enhance project sustainability and resilience. |
| h) Capacity building / institutional strengthening | **Observations**<br>• Staff have benefited under the capacity building grant. Staff were able to obtain additional qualifications and career development<br>• Professionalization of staff - under the graduate programme there was transfer of skills<br><br>**Challenge**:<br>• The capacity building did not include the political leaders | **i)** Investing in capacity building and institutional strengthening, including training programs, knowledge sharing, and organizational development, enhances project delivery capabilities and long-term impact.<br>**ii)** Conducting capacity assessments, developing training plans, and fostering partnerships with local institutions can improve project management skills and institutional capacities. |
| i) Contract management | **Observations**<br>• Time based procurement for consultant vs admeasured for contractor – needs to be reviewed<br>• Need to clearly define the outputs of the consultants by the entity | **i)** Effective contract management practices, including clear contract terms, monitoring of contractor performance, and dispute resolution mechanisms, are essential for successful project outcomes.<br>**ii)** Establishing contract management frameworks, conducting regular contract reviews, and addressing contractual issues promptly improves contractor accountability and project delivery. |
| j) Investment menu | **Observations**<br>• There was disproportionate allocation of funds along the investment menu – most funds allocated to roads at the expense of other areas | **i)** Diversifying funding sources and investment options, including public-private partnerships (PPPs), grants, loans, and equity investments, can enhance project financing and sustainability.<br>**ii)** Developing investment menus, conducting feasibility studies for funding options, and engaging with investors and financiers can facilitate project financing and implementation. |
| k) Legal | **Observations**<br>• Differing views regarding contract management by different agencies IGG, AG, and Contractors | **i)** Understanding and complying with legal requirements, including regulatory approvals, permits, contracts, and compliance frameworks, is essential for project legality and legitimacy.<br>**ii)** Engaging legal experts, conducting legal reviews, and addressing legal risks proactively can ensure project compliance with laws and regulations, reducing legal disputes and liabilities. |

## 2.2. THEME 2: ENGINEERING:

| Thematic issues | Key Observations: **Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | Lessons learnt |
|---|---|---|
| a) Requirements / scoping | **Observations**<br>There were variations arising from deviation from the selected project due to:<br>• Volumes of relocation of utilities<br>• Prioritization against individual interest e.g., council shifting priorities at last minutes<br>• Compensation of properties not handled timely.<br>• Hurriedly designed project causing changes in volume of project requirement<br>• Inadequate design period leading to poor output of feasibility studies<br><br>**Successes**<br>• Some of the project components were eliminated to fit within cost.<br>• Instituting grievances handling team.<br>• Having project management team which are vibrant<br>• Knowledgeable MDF/CDF working group to manage PAPs<br><br>**Challenges**: Difficult to manage community expectation when changes arise | i) **Coordination with Utility Operators:** There is need for effective coordination with utility companies to avoid conflicts and delays due to underground utilities like water and sewer pipes, Telecom lines, and electrical cables.<br>ii) **Stakeholder Engagement**: Effective communication with stakeholders such as residents, businesses, and local authorities to address concerns and coordinate activities paves way for less disrupted operations. In addition, involvement and inclusions of key stakeholder in all stages of project cycle enhances performance and avoids wastage of resources. |
| b) Specifications | **Observation**<br>• There is need to review the technology/ specification periodically as the end results attract more cost.<br><br>**Success**<br>• Management meetings to resolves issues,<br>• Continuous improvement in the specifications<br>• The project team learned to sail through challenges in the project implementation.<br><br>**Challenges:** Difficulties in specification reviews after contract signing. | i) **Quality Control:** Implementing robust quality control measures to ensure that construction materials and methods meet standards and specifications. In addition, there should be flexibility in the GCC that accommodate change in specification realistically. |

| Thematic issues | Key Observations: **Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | Lessons learnt |
|---|---|---|
| c) Implementation | **Observation**<br>• Positive Political intervention in project implementation especially community mobilization is important.<br>• Clustering of projects should be minimized, there are possibilities of cash flow crashing for poor financed contractors.<br>• There was illegal sub-contracting which disadvantages sub- contractors; and brings on board low-capacity sub- contractors.<br><br>**Success**<br>• Regular meeting has improved on the implementation of the project,<br>• Night business have increased in most towns<br>• Accidents have reduced due to availability of walkways<br>• Increased local revenues.<br><br>**Challenges:** There are possibilities of connivance by supervising consultants and the contractors. | **i)** **Participation of the political wing:** in all stages of project planning, design, and implementation the political leaders should be involved.<br>**ii)** **Clustering of entities:** A maximum of 2 entities should be clustered with due consideration of geographical location.<br>**iii)** **Sanctions and penalties:** Clauses that prescribe sanctions and penalties for the contractors who illegitimately sub-contract should be more punitive.<br>**iv)** **Supervision:** Payments should be tagged to productivity of both consultant and contractor to avoid connivance between the two. |
| d) Roll out | **Observations**<br>• The towns are expanding, good services, Lab equipment for quality control tests are now available,<br>• Town landscaping, greening and beatification have improved the cities appearance<br>• Capacities of staff are enhanced<br><br>**Challenges:** Difficulty in management of expectation from peri-urban set up. | **i)** Gradual rollout of project phases helps in better coordination and management of resources. In a road development project, rolling out construction in manageable phases reduces congestion and allows for more effective monitoring and control. |
| e) Testing | **Observations:** Labs are being installed at some municipalities.<br><br>**Challenges:** Where the labs are not available, a lot of time is wasted | **i)** Regular and thorough laboratory testing of construction materials is crucial for ensuring quality and longevity of road infrastructure. Implementing strict testing protocols improves the durability of the infrastructure constructed. |
| f) Designing | **Observations:**<br>• The terms of references must first be clearly stated in detail and approved by the entities for consultants to adhere to as well as the checklist | **i)** Iterative design reviews and stakeholder feedback lead to more functional and sustainable road designs. Engaging local communities and transportation experts in design discussions can result in designs that better accommodate pedestrian traffic and public transportation needs. |

| Thematic issues | Key Observations: **Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | Lessons learnt |
|---|---|---|
| g) Training | **Observation:** A lot of capacities were developed<br><br>**Success:** Improved performances, Additional qualification and new job<br><br>**Challenges:** Difficult in staff retention/ lot of turn over after getting better qualification | **i)** Providing comprehensive training to construction teams and stakeholders improves project efficiency and reduces errors.<br>**ii)** Conducting workshops and training sessions on new construction techniques and safety protocols can result in fewer accidents and improved workmanship. |
| h) Documentation | **Observation**<br>• Improved documentation due to continuous assessment<br>• Increased awareness<br><br>**Success**<br>• There is induced team work<br>• Improved performance<br>• Political and Technical staff relations have been good<br>• Increased awareness on urban management | **i)** Maintaining accurate and comprehensive documentation throughout the project lifecycle is essential for accountability and future reference.<br>**ii)** Developing a centralized document management system for project plans, contracts, and reports facilitates easy access to critical information and improved project transparency. |
| i) Certification | **Observations**<br>• Payment is done against certificates<br>• Discipline in financial management<br><br>**Success:** Timely payment | **i)** Streamlining the certification process for contractors and materials suppliers reduces delays and ensures compliance with standards. Implementing a certification system can improve the efficiency of works measurement and approvals and material approvals, thereby reducing project timelines and costs |

## 2.3. THEME 3 (A): SAFEGUARDS (ENVIRONMENT, HEALTH & SAFETY COMPLIANCE):

| **Thematic issues** | **Key Observations: Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | **Lessons learnt** |
|---|---|---|
| a) ESIA process | ***Successes*****:**<br>▪ The Project ESIA's were done.<br>▪ The Contractors did the ESIA's for the auxiliary sites (Borrow pits, Quarry sites, Campsites).<br>▪ ESMPS prepared by contractors.<br><br>**Challenges**<br>▪ Commencement of works without ESIA Certificates<br>▪ Delayed Issuance of ESIA Certificates by NEMA.<br>▪ Compliance by contractors has been limited | **i)** Conducting comprehensive ESIA processes early in the project lifecycle helps identify potential environmental and social impacts, allowing for proactive mitigation measures.<br>**ii)** Implementing an ESIA process from the project's inception enables better stakeholder engagement and informed decision-making. |
| b) Permits, Licenses & insurance covers | **Challenge**<br>▪ Delayed acquisition of permits from the Agencies (Water Abstraction Permits from MWE, NEMA) | **i)** Obtaining necessary permits, licenses, and insurance covers in a timely manner mitigates legal and financial risks associated with environmental compliance.<br>**ii)** Effective and early engagement with MDA's (NEMA, MWE) can quicken the certification process. |
| c) Annual Environment and Social Audit | **Challenges**<br>▪ Annual Audits not done by most of the Local Governments; Local Governments did not budget for Audits | **i)** Conducting regular environment and social audits ensures ongoing compliance with regulatory requirements, identifies areas for improvement, and enhances transparency and accountability. |
| d) Environment compliance – Waste Management; Greening | ***Successes*****:**<br>▪ Litter bins installed but the use is failing<br>▪ Some beauty seen resulting from greening<br><br>**Challenges**<br>▪ Delayed clearance of waste from sites by Contractor (Debris along the roads).<br>▪ A lot of waste along the road, drains from the communities<br>▪ Non removal of some hazardous wastes from circulation.<br>▪ Poor maintenance of the green (Trampling, drying off) | **i)** Implementing robust waste management practices, including recycling, proper disposal, and pollution prevention measures, minimizes environmental impact and promotes sustainability.<br>**ii)** Incorporating waste segregation, recycling stations, and eco-friendly construction materials reduced waste generation and can improve environmental quality during project execution.<br>**iii)** Integrating greening initiatives, such as tree planting, landscaping, and habitat restoration, enhances biodiversity and offsets environmental impacts of infrastructure projects |
| e) Decommissioning | ***Success*****:**<br>▪ Final Mitigation/Decommissioning Plans prepared by some Contractors.<br><br>**Challenge**<br>▪ Poor restoration of borrow pits | **i)** Enforcement of compliance as per Contract to close off the borrow pits & other auxiliary sites needs to be made mandatory and strongly implemented |

| Thematic issues | Key Observations: **Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | Lessons learnt |
|---|---|---|
| f) Incidents and Accidents – documentation & Management | **Observation**<br>▪ Injuries and fatalities observed<br>▪ Trainings/ Backstopping from the Ministry. | **i)** Documenting and managing incidents and accidents promptly and transparently minimizes environmental damage, protects public safety, and maintains project credibility.<br>**ii)** Implementing an incident reporting system and emergency response protocols facilitates quick containment and mitigation of environmental incidents, thereby reducing potential liabilities. |
| g) Risk assessment planning and management | **Observation**<br>No Comprehensive Risk Assessment undertaken | **i)** Conducting thorough risk assessments, including environmental risks, enables proactive risk management strategies and contingency planning is critical.<br>**ii)** Identifying potential environmental and social hazards allows for the implementation of preventive measures and emergency response plans, mitigating project risks |
| h) Occupational Health & Safety | **Observation**<br>The Budgets incorporated OHS issues | **i)** Occupational health & safety is a key social safeguard and should be catered for in infrastructure projects. In addition, it is important to have clauses on penalties and sanctions on non-compliant contractors. |
| i) Inspections and payment certification | ***Success*:**<br>Environment Officers have participated in Certification<br><br>**Challenge**<br>Limited capacity in Planning, budgeting and certification for Environmental issues | **i)** Regular inspections and certification of environmental compliance ensures adherence to standards and facilitate timely payment certification for contractors. |
| j) Planning, Budgeting & Appropriation of resources for Safeguards | ***Success*:**<br>The Budgets incorporated environment issues<br><br>**Challenge**<br>Non-Prioritization of Environment issues during implementation | **i)** Integrating safeguards planning, budgeting, and resource allocation into project planning processes ensures adequate funding and resources for environmental compliance measures. In addition, it is important to have clauses on penalties and sanctions on non-compliant contractors. |

## 2.4. THEME 3 (B): SAFEGUARDS (SOCIAL COMPLAINCE):

| **Thematic issues** | **Key Observations: Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | **Lessons learnt** |
|---|---|---|
| a) Right of way | **Observations**<br>▪ We had PAPs in all project area<br>▪ Planned roads were easy to work on<br>▪ The design could not fit on the road available size<br><br>***Successes***<br>▪ People were willing to offer the right of way<br>▪ MDF came in handy to help in securing the right of way<br><br>***Challenges***<br>▪ Some PAPs wanted to be compensated and didn't want to give way<br>▪ The roads were encroaching on the wetland | **i)** Ensuring clear and legal right-of-way acquisition processes minimizes delays and legal challenges during project implementation.<br>**ii)** Delays in acquiring right-of-way due to unclear ownership can lead to project cost overruns and legal disputes.<br>**iii)** Implementing a transparent and legally sound right-of-way acquisition process resolves issues and improves project timelines. |
| b) Complaints Management | **Observations**<br>Setting up grievance handling committees was done<br><br>***Successes***<br>▪ Most grievance were handled at the committee level; therefore, avoided litigation<br>.<br>***Challenges***<br>▪ Lack of awareness about the grievance handling committee and framework<br>▪ Political interference<br>▪ Lack of facilitation for the grievance committee | **i)** Establishing an efficient complaints management system enables prompt resolution of grievances and fosters community trust. |
| c) Stakeholder Engagement | **Observations**<br>▪ Clear Identification of the stakeholders was done and was key to successful program implementation<br>▪ Information sharing with the stakeholders was done<br><br>***Successes***<br>▪ The joint site meetings where project issues were discussed<br>▪ Stakeholder engagement minimized issues in the project<br>▪ Engagements promoted acceptability and ownership of the project.<br><br>***Challenges***<br>▪ Unending list of expectant stakeholders that keep coming on board.<br>▪ Financial expectations that were not met; some expectant persons dropped off the trail of compensation. | **i)** Continuous and inclusive stakeholder engagement fosters collaboration, mitigates conflicts, and enhances project acceptance.<br>**ii)** Holding regular public meetings, workshops, and consultations with community representatives and local authorities improves understanding of stakeholder concerns and facilitates consensus-building on project decisions.<br>**iii)** Stakeholders' engagement should be a responsibility of the client but not the contractor |

| Thematic issues | Key Observations: **Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | Lessons learnt |
|---|---|---|
| d) Training and Inductions | **Observations**<br>▪ The trainings were not all inclusive for the political and technical wings<br><br>***Successes***<br>▪ There is improved performance and supervision skills.<br>▪ Career development for those who were supported<br><br>***Challenges***<br>▪ The political leaders not allowed to undertake courses<br>▪ High turnover of the trained personnel | **i)** Comprehensive training and induction programs for project personnel ensure adherence to safety protocols, quality standards, and social responsibility guidelines.<br>**ii)** Conducting regular safety training sessions and induction programs for construction workers and contractors reduces accidents and improves overall project performance. |
| e) Muni/City Development Forums | **Observations**<br>▪ Every LG has an established MDF which helped in the general monitoring and supervision of the projects and helped in handling project issues like negotiating right of way and others<br><br>***Challenge***<br>▪ Role conflicts: MDFs want to assume roles of the council | **i)** Engaging with municipal and city development fora enhances coordination, alignment with urban development plans, and compliance with regulatory requirements and compliments the Council technical and political teams. However, there is need for a legal framework to regulate their operation. |
| f) Employee management – Contracting, Remuneration & Statutory Benefits | **Observations**<br>▪ No job security, no contract, unclear payment schedules for contractual staff<br><br>***Successes***<br>▪ Employment of local content<br>▪ Provision of the PPE<br>▪ Good management of incidences<br><br>***Challenges***<br>▪ High employee turnover<br>▪ Delayed payment of the employees remuneration<br>▪ Poor documentation of employ records | **i)** Ensuring fair and transparent employment practices, including timely remuneration and provision of statutory benefits, fosters employee satisfaction and retention. Adhering to labour laws, implementing fair wage policies, and providing adequate benefits such as healthcare coverage and social security can improve morale and productivity among project workers. |
| g) Children, PWDs, Gender and Youth issues | **Observations**<br>▪ Provision of PWDS issues in the design<br>▪ Gender imbalance in terms of recruitment<br><br>***Successes***<br>Both male and female were recruited<br><br>***Challenges***<br>▪ Even when both were employed the number of men was higher compared to the women | **i)** Incorporating gender-responsive, inclusive, and child-friendly design features and policies promotes equity and accessibility in infrastructure development.<br>**ii)** Designing pedestrian pathways with ramps and accessible crossings for persons with disabilities (PWDs), implementing safety measures for children near construction zones, and providing opportunities for youth engagement in project activities enhances social inclusivity and community well-being. |

| **Thematic issues** | **Key Observations: Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | **Lessons learnt** |
|---|---|---|
| h) Gender Based Violence, Sexual Exploitation and Abuse & Sexual Harassment | **Observations**<br>▪ That GBV issues were well managed; no reported cases<br><br>***Successes***<br>▪ Awareness creation about the GBV<br>▪ Vigilance of the population<br><br>***Challenges***<br>▪ Cases not reported in some instances | **i)** Implementing robust policies and awareness programs on gender-based violence (GBV) and sexual exploitation and harassment creates a safe and inclusive work environment.<br>**ii)** Establishing GBV zero-tolerance policies, conducting sensitivity training, and providing confidential reporting mechanisms can help prevent and address incidents of GBV and sexual harassment among project personnel. |
| i) Disease management. (Communicable and non-communicable disease - HIV, TB, Ebola, emerging pandemic preparedness). | **Observations**<br>▪ Awareness creation, voluntary testing<br>▪ Following the SOPs<br><br>***Successes***<br>▪ Supply of condoms<br>▪ Accessibility of health service<br><br>***Challenges***<br>▪ Scarcity of female condoms | **i)** Implementing health and hygiene protocols, including disease prevention measures, safeguards project personnel and communities from communicable and non-communicable diseases.<br>**ii)** Conducting regular health screenings, providing personal protective equipment (PPE), and promoting health education and vaccination campaigns can reduce the risk of disease transmission among project stakeholders. |

## 2.5. THEME 5 - PROCUREMENT:

| **Thematic issues** | **Key Observations: Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | **Lessons learnt** |
|---|---|---|
| a) Clustering | **Observations**<br>• The involvement of several entities brought in multispectral departmental involvement that led to transparency.<br>• The Contractor obtained a good amount of work that is reasonably profitable than when working with a single entity<br>• Management of the projects by the contractor was easier being on a similar route<br>• Entities have advantage of comparing works with what is going on in other entities and resultant better delivery demanded<br><br>***Challenges***<br>• Financial and time constraint on the side of some of the contractors Contractor thus delaying some of the works. So, where the contractor fails, all entities fail<br>• Some contractors concentrated in some entities and gave less effort to others.<br>• Mobilization of equipment was not easy, so work couldn't run in all entities at ago<br>• Local contractors lost out because the scope of works was huge and could not be managed financially by local contractors. So, their capacity has remained unbuilt | **i)** Clustering entities considering the geographical proximity can improve efficiency and simplifies procurement processes. |
| b) Bidding documents | **Observations**<br>• To prevent missing items; the Documents like drawings and BoQs should be included in both supervision and contractor's contract.<br>• A rush after the COVID period did not give technical team to carefully review the documents hence missing items.<br>• Misinterpretation of the specifications by Consultants; 2004 MoWT specifications got it wrong with Bitumen.<br><br>***Successes***<br>• The bidding documents were standard across all entities<br>• Building capacity of the Local Authorities. | **i)** Clear and comprehensive bidding documents enhance transparency, clarify project requirements, and attract qualified bidders.<br>**ii)** Developing detailed bid documents, including technical specifications, contract terms, evaluation criteria, and performance requirements, can result in competitive bidding and better-quality proposals. |
| c) Solicitation of service providers | **Observations**<br>• Latest PPDA act softening for the providers<br><br>***Successes***<br>• Period given was adequate for providers to prepare the documents.<br><br>***Challenges***<br>• Delays with the procurement process.<br>• Much time in design reviews – the entities should be engaged from the beginning. | **i)** Implementing fair and transparent solicitation processes ensures equitable opportunities for service providers and fosters competition.<br>**ii)** Using open and competitive procurement methods, such as public tenders or request for proposals (RFPs), attracts a diverse pool of qualified service providers and promotes cost-effective solutions. |

| Thematic issues | Key Observations: **Key Issue** (observation); **Success** (what worked well); ***Challenge*** *(what didn't work well)* | Lessons learnt |
|---|---|---|
| d) Joint Ventures | ***Successes***<br>• The ToRs spelt everything clearly about the agreements.<br>• Capacity building<br><br>***Challenges***<br>• Main Contractor could overrun the subcontractor especially in payments.<br>• The Local firms riding on the capacity of the Main Contractor was a risk. | **i)** Establishing strategic joint ventures or partnerships can enhance project capabilities, share risks, and leverage expertise<br>**ii)** Forming joint ventures between local and international firms can enable technology transfer, local capacity building, and innovative project delivery approaches. |
| e) Guarantees and securities | ***Successes***<br>• Guarantees and securities are security for the Entity and a good safeguard.<br><br>***Challenges***<br>• The Guarantees percentage are being reduced which is risky to the Local Government.<br>• Delays work when they expire due to difficulty in extension.<br>• Time given for execution was not practical enough. | **i)** Requiring appropriate guarantees and securities from contractors mitigates project risks and ensures performance and payment obligations<br>**ii)** Implementing performance bonds, bank guarantees, or escrow accounts provides financial assurances and incentivized contractors to meet project milestones quality standards, and other performance requirements. |
| f) Subcontracting | ***Successes***<br>• Main Contractor proposes a subcontractor in the Bidding document; during actual implementation the Main Contract, this eases execution.<br><br>***Challenge***<br>• Delays especially in relocation of Utilities | **i)** Effectively managing subcontracting arrangements improves project coordination, quality control, and compliance with contractual obligations.<br>**ii)** Establishing clear subcontracting guidelines, conducting due diligence on subcontractors, and monitoring subcontractor performance can facilitate smooth project execution and minimize disputes<br>**iii)** Clear definition of the scope for the sub-contractor is necessary in the Bidding Document. |
| g) Change Control (variations, time extensions) | ***Successes***<br>• Definition of the Contract period<br><br>***Challenge***<br>• Delays in the works and the payments | **i)** Establishing robust change control mechanisms, including procedures for variations and time extensions, enhances project flexibility, mitigates risks, and maintains contract compliance.<br>**ii)** Implementing a formal change management process, including documentation requirements, approvals, and impact assessments, can ensure timely resolution of changes and minimize project disruptions. |

# 3.0 MAIN SUCCESSES, KEY CHALLENGES AND RECOMMENDATIONS

This chapter shows the main successes, key challenges and recommendations.

## 3.1 Main Successes

The following key successes were outcomes of the discussions based on the thematic areas as listed below:

**Project Management:**

i. Built up the capacity and competence in project implementation and management in the LGs. The notion of putting in place a multi-disciplinary Program Management Team (PMT) composed of an Engineer, Environmentalist and Community Development Officer turned out to be a very good strategy.
ii. Increased own source revenue: Implemented effective revenue-generating initiatives like property taxation systems and local revenue mobilization strategies that has led to significant boost in City/Municipal revenues.
iii. Improved Institutional financial management & Accountability: Strengthened financial processes and accountability mechanisms within institutions, has ensured transparent and efficient use of resources.
iv. Critical staff gaps addressed: the program-built capacity and addressed staffing gaps to ensure competent and skilled personnel for program implementation were available.
v. Stakeholder Collaboration: Fostered effective collaboration with government agencies, civil society organizations, private sector entities, and community groups, resulting in synergies, resource mobilization, and collective impact.

**Engineering:**

i. Improved road network and street lighting: This enhanced infrastructure that has led to improved connectivity and safety for residents and visitors in the Municipalities, cities and communities covered by the program.
ii. Improved physical planning (Development control): Enhanced urban planning processes has promoted orderly and sustainable development, mitigating risks associated with haphazard growth.
iii. Improved Public Infrastructure: Upgraded and modernized public infrastructure such as roads, has contributed to enhanced functionality, safety, and overall urban aesthetics.
iv. Enhanced Urban Planning: Developed and implemented zoning laws, land use plans, and urban planning frameworks that have promoted controlled development, land management, and environmental preservation.
v. Managed to have the Lab to the Entity: Ensured proper management and oversight of laboratory services within the project scope, contributing to quality assurance and compliance.

**Environment:**

i. Prior environmental and social assessments (through the ESIA process) averted environmental harm, guided on compliance and informed mitigations (some projects were avoided due to environmental sensitivities that were flagged during the ESIA process)
ii. Active involvement of Environment Officers: Ensured environmental considerations are integrated into project management processes through the participation of dedicated Environment Officers.
iii. Continuous training of Project Management Teams (PMTs): Built the capacity of project teams to address environmental concerns and comply with environmental regulations effectively.
iv. Vigilance by PMTs: Maintained a proactive approach to environmental management, monitoring project activities for potential environmental impacts.
v. Proper financial management and control: Implemented robust financial management practices that ensured resources allocated for environmental initiatives are utilized efficiently.
vi. Capacity building for technical staff: Equipping technical staff with the knowledge and skills necessary for sustainable environmental management.
vii. City beautification: Enhanced aesthetics of urban areas, has created pleasant and attractive spaces for residents and tourists.
viii. Local economic development: Supported local economic growth through environmentally sustainable initiatives, night economic activities that have fostered community resilience and prosperity.

**Procurement:**

i. Standardized the bidding documents used by all entities under the program. This ensured uniformity & consistency; eased supervision and management of contracts.
ii. Sub-contracting: Engaged local subcontractors that have promoted local participation and capacity building.
iii. Employment and capacity building for local content: Created employment opportunities and building local capacity through program procurement processes.
iv. Competent contractor: Selected and worked with some competent contractors that ensured the quality and timely delivery of project outcomes.

These key successes demonstrated some of the effective project management, engineering excellence, environmental and social stewardship, and strategic procurement practices, which have led to some positive outcomes and sustainable urban development.

## 3.2 Key Challenges

Some of the key challenges identified in the thematic areas of project management, engineering, environment, and procurement, along with suggested mitigation measures:

**Project Management:**

i. Compensation requirements for some projects where amenities were on the RoW: the team worked with the PMT to have the clear guidelines developed and

processes for addressing compensation issues, including stakeholder consultations and budget allocations.

ii. Financial Constraints to meet all investments needs was a big challenge: Explored alternative funding sources, prioritized projects based on available budgets, and negotiated for timely budget disbursements to mitigate financial challenges.

iii. Delayed re-voting of swept funds which caused delays in paying service providers and disrupted smooth implementation of civil works due to cash shortfalls: Enhanced financial management practices to minimize delays in fund re-voting, ensuring uninterrupted project funding and continuity.

iv. Absence of key contractors and supervising consultant staff: Strengthened contractor and consultant recruitment processes, ensuring availability of qualified personnel with expertise in the required fields (including Social Safety and Environment staff).

**Engineering:**

i. Slow work progress due to clustering: Reviewed and discussed the project clustering strategies to optimize work progress and resource allocation, considering factors like project scope, timelines, and resource availability.

ii. Inadequate specification of elements like street lights which is an area requiring a clear technical understanding: Improved project planning and specifications to ensure clarity and completeness, reducing potential delays and rework.

iii. No provision for maintenance funds for the delivered infrastructure: Incorporated maintenance fund provisions into Urban Local government budgets and plans to sustain infrastructure functionality and longevity.

iv. Insufficient technical expertise: Invested in capacity building for project teams and local councils to enhance technical skills and project management capabilities.

v. Unforeseen challenges like weather changes impacting on civil works: In some instances, City/Municipal Local Governments have developed contingency plans for weather-related disruptions, adjusted project schedules as needed, and incorporated weather risk assessments into project planning.

vi. Community Resistance especially in the RoW: Implemented robust community engagement strategies, conduct awareness campaigns, and address stakeholder concerns to foster support and minimize resistance in collaboration with MCDFs.

vii. Environmental and Social Impacts in the midst of infrastructure development: Implemented comprehensive Environmental and Social Management Plans (ESMPs), monitored impacts regularly, and addressed grievances promptly that to some extent mitigated negative impacts.

**Environment:**

i. High safeguards staff turnover by contractor team: Ensured contractor stability through effective contract management and incentives, including performance-based contracts and retention strategies.

ii. ESIAs and Environmental and Social Audits were not budgeted for in the entities: We ensured that all projects undergo thorough Environmental and Social Impact Assessments (ESIAs) and regular Environmental and Social Audits to comply with regulations and mitigate environmental risks.

iii. Poor implementation and enforcement on greening and waste management component: Strengthened enforcement mechanisms, conducted regular

inspections, and at times some urban/City LGs implemented penalties for non-compliance to improve greening and waste management practices.

iv. Limited Budget allocations for ESHS issues: Advocated for increased budget allocations for Environmental, Social, Health, and Safety (ESHS) issues, prioritized critical areas.
v. Lethargic attitude and limited commitment leading to Contractors' inefficiencies: Enhanced contractor performance monitoring, provided necessary support and resources, and addressed some of the inefficiencies promptly to maintain project timelines.
vi. Delays in securing Environmental permits with some works commencing without statutory approvals: Collaborated closely with regulatory agencies, and emphasized the need to expedite permit applications, and proactively address regulatory requirements to minimize delays.

**Procurement:**

i. Duration for statutory clearance of procurements caused significant delays: Streamlined procurement processes, established clear timelines, and leveraged digital tools for faster clearance and approvals.
ii. Geographical location challenges where entities were distantly dispersed: Evaluated and addressed logistical challenges posed by geographical locations, by considering alternative delivery methods, and optimized resource allocation.
iii. Inadequate Equipment by Contractors: Provided necessary equipment and resources to cluster members that facilitated access to shared resources, and encouraged collaboration to overcome equipment shortages.
iv. Difficulties managing time-based contracts: Improved contract management practices, by setting clear deliverables, monitoring performance closely, and providing support as needed to ensure contract compliance and effectiveness.

By addressing these challenges through targeted mitigation measures, project teams in the cities, Municipalities and RHDs targeted under USMID AF were able to enhance efficiency, minimize risks, and move towards the achievement of program outcomes.

## 3.3 Recommendations

Based on the key observations made and lessons learned, the following are the recommendations put forward for the future projects based on the thematic areas discussed:

**Project Management:**

i. Conduct comprehensive project planning with thorough feasibility studies, stakeholder consultations, and risk assessments.
ii. Implement resource management systems for efficient tracking and optimization.
iii. Identify, assess, prioritize, and mitigate project risks throughout the program lifecycle.
iv. Develop realistic budgets based on thorough cost estimates and financial analyses.
v. Establish quality assurance plans and standards for high-quality project deliverable
vi. Ensure timely and accurate reporting through standardized templates and communication channels.
vii. Invest in capacity building and institutional strengthening programs
viii. Develop clear contract terms and performance metrics for effective contract management.

ix. Foster open and transparent communication among team members and stakeholders.

**Engineering:**

i. Meticulousness in designs to minimize scope creep
ii. Enhance stakeholder engagement and effective communication throughout the project cycle to avert hindrances related to the RoW.
iii. Provide comprehensive training to construction teams and stakeholders for capacity building for desired project outcomes to be attained.
iv. Embrace adaptability and flexibility in project plans to align with evolving technological and social requirements.
v. Promote a continuous learning culture for continuous improvement and risk mitigation.

**Environment Safeguards:**

i. Conduct comprehensive and timely (early) Environmental and Social Impact Assessments (ESIAs) to inform decision making.
ii. Streamline permits issuance processes and coordinate with regulatory authorities.
iii. Provide continuous training and capacity building on safeguards compliance issues.
iv. Incorporate greening initiatives into project designs for environmental sustainability.
v. Conduct annual environment and social audits timely once civil works commence to keep in track any corrective measures that may arise.
vi. Proactively assess and manage environmental and social risks.
vii. Develop decommissioning plans for proper site closure.
viii. Establish transparent right-of-way processes and a robust complaints management system.
ix. Strengthen policies and programs for social safeguards, health, safety, and fair employment practices.

**Procurement:**

i. Identify clustering opportunities for project components.
ii. Develop clear and comprehensive bidding documents.
iii. Implement fair and transparent solicitation processes.
iv. Consider strategic joint ventures or partnerships.
v. Require appropriate guarantees and securities.
vi. Establish clear subcontracting guidelines and change control mechanisms.