

Ministry of Lands, Housing and Urban Development

UGANDA SUPPORT TO
**MUNICIPAL INFRASTRUCTURE
DEVELOPMENT (USMID) PROGRAM**

SUMMARY BRIEF

March 5, 2019



01 Introduction

The Uganda Support to Municipal Infrastructure Development (USMID) Program is a World funded Program that is being implemented with a World Bank/IDA credit estimated at US\$ 150 million. The executing agency is the Ministry of Lands, Housing and Urban Development. The Program Development Objective for USMID is to enhance the institutional performance of the 14 program Municipalities to improve urban service delivery. The program Municipalities include Arua, Gulu, Lira, Soroti, Moroto, Mbale, Tororo, Jinja, Entebbe, Masaka, Mbarara, Kabale, Fort Portal and Hoima. The program became effective on 4 September 2013 and came to an end on December 31, 2018. USMID was implemented using the Program for Results (P for R) lending instrument which required disbursement of funds from IDA to only be done upon attainment of set annual performance results. The level of funding depended on the assessed performance score. The higher the annual performance, the higher the disbursements made. Allocation of resources to the Municipalities was done using the government of Uganda allocation formula that put into consideration the population, poverty levels and area of the local government but also included a factor for the performance of each Municipality relative to the others.

02 Municipal Infrastructure Development Activities

Batch 1 infrastructure projects

All the Batch 1 infrastructure projects have been completed in all the Municipal Councils. The performance of the Batch 1 (a) and 1 (b) contracts are shown in the tables (1-2) below. The infrastructure projects delivered the following outputs.

- a) Paved 53km of equivalent 2-lane roads,
- b) 59 km of covered lined drains,
- c) 70.5 km open lined drains and several cross drains,
- d) 67.2 km of pedestrian walkways,
- e) 25.42 km of cycle lanes,
- f) 43.5 km of parking lanes,
- g) 1,725 solar street lights and
- h) 737 trash cans to manage litter.

Table 1: Batch 1 (a) contract performance as at March 5, 2019

Indicator	Arua	Entebbe	Fort Portal	Gulu	Hoima	Jinja	Kabale	Lira	Masaka	Mbale	Mbarara	Moroto ¹	Soroti	Tororo	TOTAL
Physical progress (%)	100	100	100	100	100	100	100	100	100	98	100	100	98	100	100
Financial progress (%)	100	100	90	100	96	100	91	100	100	88	100	100	99	95	97
Time elapsed (%)	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Table 2: Batch 1 (b) contract performance as at March 5, 2019

Indicator	Arua	Entebbe	Gulu	Lira	Masaka	TOTAL
Physical progress (%)	100	100	100	100	96	99
Financial progress (%)	95	100	95	90	91	94
Time elapsed (%)	100	98	100	100	100	100

1. Implementation of the Moroto Bus terminal project was in three phases due to the limited funding that the Municipality received.

Batch 2 infrastructure projects

Contracts for Batch 2 infrastructure projects were signed in 11 out of the 14 municipalities. Implementation of Batch 2 infrastructure projects has been substantially completed in most municipalities with an average physical progress of 97%. The performance of the Batch 2 infrastructure contracts is shown in the table 3;

Cluster 1 (Arua, Gulu and Lira): The infrastructure subprojects in this cluster are all substantially complete and ready for commissioning with the exception of Duka road (0.28km) in Arua Municipality. The completed infrastructure includes the Arua taxi park, 13 roads in Gulu Municipality, 3 roads in Lira Municipality and beautifying the coronation park. Phase I of beautifying the coronation park is complete. The Arua taxi park was commissioned in February 2019.

Cluster 2 (Tororo): The infrastructure works in Tororo municipality are substantially complete. The works include the rehabilitation of 2 roads and reconstruction of the taxi park.

Cluster 3 (Entebbe, Jinja and Masaka): Masaka is rehabilitating two roads which are substantially complete. Entebbe is rehabilitating the Kitoro taxi park which is substantially complete. Jinja is rehabilitating two roads which are 85% complete. It is expected that the civil works in Jinja will be completed in mid-April 2019.

Cluster 4A (Mbarara and Kabale): The infrastructure subprojects in this cluster are all substantially complete and ready for commissioning. Mbarara is rehabilitating 5 roads while Kabale is rehabilitating 3 roads.

Cluster 4B (Hoima and Fort Portal): Civil works in hoima are substantially complete. The works include the rehabilitation of 6 roads. Works in Fort Portal are substantially complete. They include rehabilitating the one road, constructing a lorry park, installing solar streetlights and completing the materials testing laboratory.

Cluster 5 (Moroto): Construction of the Moroto the bus terminal is substantially complete.

Implementation of the Batch 2 infrastructure projects has delivered.

- a) Paved 24.95² km of equivalent 2-lane roads,
- b) 34.02 km of covered lined drains,
- c) 20.34 km open lined drains,
- d) 33.01 km of pedestrian walkways,
- e) 20.36 km of cycle lanes,
- f) 11.38 km of parking lanes,
- g) 1,013 solar street lights,
- h) 306 trash cans,
- i) 3 taxi parks with 328 lock up shops and 143 parking lots for vehicles,
- j) 1 lorry park with 14 lockup shops,
- k) 1 bus terminal with 16 parking lots and 30 lockup shops.

Infrastructure construction provided direct employment to 2,716 people of which 442 were female. The project has improved 66,113 square meters of green area and planted 2,407 trees.



2. This includes the 4.82km of equivalent 2-lane roads under construction in Jinja MC

Table 3: Batch 2 contract performance as at March 5, 2019

Indicator	Arua	Entebbe	Fort Portal	Gulu	Hoima	Jinja	Kabale	Lira	Masaka	Mbarara	Tororo	TOTAL
Physical progress (%)	100	96	95	100	99	85	100	100	98	98	97	97
Financial progress (%)	85	97	61	93	85	66	80	96	80	90	75	83
Time elapsed (%)	100	99	100	100	100	88	100	100	100	100	100	99

**03****Municipal Capacity Building Activities**

MCBG has been utilized by the Municipal Local Governments for retooling, discretionary capacity building activities and career development. The table (4-7) below shows that Municipalities have used a total of **UGX 10,105,781,359 (38%)** for retooling, **UGX 14,263,765,106 (54%)** for discretionary capacity building activities and **UGX 1,918,516,540 (7%)** for career development.

Table 4: Utilization of the MCBG by Municipal LGs

MC	Retooling	Discretionary	Career	Total
Arua	747,038,225	1,168,444,212	150,500,000	2,065,982,437
Entebbe	725,337,476	937,582,232	32,360,000	1,695,279,708
Fort Portal	542,122,785	947,028,065	87,900,000	1,577,050,850
Gulu	778,109,705	1,305,892,497	98,240,550	2,182,242,752
Hoima	510,519,251	1,511,669,990	138,800,000	2,160,989,241
Jinja	1,195,898,585	691,261,610	89,000,000	1,976,160,195
Kabale	483,808,733	1,070,675,535	156,830,890	1,711,315,158
Lira	999,313,499	1,131,402,369	151,114,000	2,281,829,868
Masaka	318,705,820	777,499,991	49,910,000	1,146,115,811
Mbale	984,306,845	591,534,512	144,345,420	1,720,186,777
Mbarara	579,545,166	1,216,607,090	64,300,680	1,860,452,936
Moroto	628,858,179	753,063,139	93,000,000	1,474,921,318
Soroti	775,293,310	1,005,237,912	242,695,000	2,023,226,222
Tororo	836,923,780	1,155,865,952	419,520,000	2,412,309,732
Total	10,105,781,359	14,263,765,106	1,918,516,540	26,288,063,005
Percentage	38	54	7	100

Table 5: Summary of retooling activities

Category of Items	Number	Total Cost	Percentage
Furniture (office desks and chairs, conference tables and chairs, work stations etc.)	2,018	2,806,834,718	28
General equipment (computers, laptops, LCD projectors, scanners, photocopiers, printers, cameras, motorcycles etc.)	735	2,959,528,346	29
Specialized equipment (total station, plotters, GPS equipment, noise meters, gas meters, etc.)	280	4,339,418,295	43
Total	3,033	10,105,781,359	100

Table 6: Summary of discretionary capacity building activities³

Thematic area	Number of Activities	Amount Spent	Percentage
Development planning, Physical planning & budgeting	171	5,158,657,622	36
Environment and social management	62	488,925,278	3
Financial management and accounting	40	133,968,888	1
Governance	119	1,342,083,752	9
Own Source Revenue mobilization	93	2,981,039,869	21
Procurement management	37	353,064,504	2
Records management	11	33,372,000	0
Renovation of office blocks	12	1,392,863,960	10
Transparency, Communication and Accountability	305	2,379,789,233	17
Total	850	14,263,765,106	100

Table 7: Summary of career development activities

Awards	Number of Beneficiaries	Total Cost	Percentage
Certificates (Administrative Law, GIS Applications, Records and Information Management, Procurement and Supplies Management, solar lights maintenance and installation etc.)	69	366,767,140	19
Post Graduate Diplomas (Financial Management, M&E, Urban Governance, Public Administration, Procurement and Logistics Management, Construction Management, HRM)	129	1,406,052,430	74
Professional courses (CPA, CIPS, CIA)	12	136,223,370	7
Total	210	1,909,042,940	100



3. These include consultancies (updating the physical development plans, updating valuation rolls, engineering design etc.), local trainings/workshops, exchange visits among others.

04 Financial Performance

By the end of December 2018, the World Bank had released SDR 97,400,000 to GoU representing 100% of the total credit for USMID. The SDR 97,400,000 is equivalent to USD 138,140,862.93 representing a loss of USD 11,859,137.6 due to the exchange rate between the SDR and USD. The cumulative transfers to the 14 Municipalities over the five year period, including compensation for VAT in FY 2016/17 is shown in table 8 below.

Table 8: Cumulative transfers to the municipalities

Municipal Council	MDG	MCBG	VAT	Total
Arua	22,563,515,294	2,056,309,812	1,146,046,929	25,765,872,035
Entebbe	18,901,401,814	1,785,085,415	1,284,754,084	21,971,241,313
Fort Portal	10,149,191,872	2,048,142,109	1,448,459,730	13,645,793,711
Gulu	77,009,554,108	2,202,018,579	2,638,130,616	81,849,703,303
Hoima	27,797,593,382	2,250,481,529	1,640,772,070	31,688,846,981
Jinja	21,704,523,745	1,924,731,497	1,361,294,315	24,990,549,557
Kabale	12,870,367,216	2,221,285,967	1,758,035,480	16,849,688,663
Lira	36,277,412,286	2,230,791,692	1,687,881,929	40,196,085,907
Masaka	28,491,392,900	1,167,782,675	1,066,192,928	30,725,368,503
Mbale	22,981,273,823	1,763,058,923	1,933,143,208	26,677,475,954
Mbarara	36,311,232,485	1,944,968,956	2,361,290,979	40,617,492,420
Moroto	4,353,480,144	2,036,583,577	927,312,067	7,317,375,788
Soroti	14,841,080,281	2,185,919,642	1,163,663,151	18,190,663,074
Tororo	14,606,066,160	2,370,742,247	1,021,734,414	17,998,542,821
Total	348,858,085,510	28,187,902,620	21,438,711,900	398,484,700,030

On July 1, 2018, the Municipalities had a total MDG of **UGX 95,937,800,716/=**. As of March 5, 2019, the unspent balance was **UGX 9,458,862,332/=** which is all committed to the on-going civil works as seen in table 9. The Municipalities had a total MCBG of **UGX 520,729,847** on July 2018. The unspent balance at the end of March 5, 2019 was **UGX 70,740,408/=**. Most of this balance is committed to on-going physical development consultancies.

Table 9: Status of the Municipal Development Grant as at March 5, 2019

Municipal Council	Grants brought forward from 2017/18	Interest Realised (Jul-Dec, 2018)	Total Funds Available for MC to spend from Jul 2018	Actual Expenditure (Jul-Dec, 2018)	Actual Expenditure (Jan 1-Mar 5, 2019)	Unspent Cash Balance as at Mar 5, 2019	Value of Work Certified & Retention as of 05/03/19
Arua	7,200,426,128	-	7,200,426,128	5,097,165,182	360,632,883	1,742,628,063	1,742,628,063
Entebbe	3,434,869,131	22,949,467	3,457,818,598	3,268,504,017	0	189,314,581	189,314,581
Fort Portal	3,541,533,470	-	3,541,533,470	1,965,342,460	1,576,191,010		0
Gulu	19,245,579,840	295,258,166	19,540,838,006	19,406,387,653	134,436,158	14,195	0
Hoima	10,595,121,346	-	10,595,121,346	8,230,757,435	1,147,725,176	1,216,638,735	1,216,638,735
Jinja	7,690,294,646	-	7,690,294,646	1,896,083,480	1,338,738,397	4,455,472,769	4,455,472,769
Kabale	2,175,971,017	195,028,983	2,371,000,000	850,422,827	948,155,813	572,421,360	572,421,360
Lira	8,866,181,775	51,109,762	8,917,291,537	8,821,950,776	95,340,761		0
Masaka	3,873,490,515	-	3,873,490,515	3,873,471,342	0	19,173	0
Mbale	6,788,734,372	57,186,772	6,845,921,144	6,841,445,041	4,450,000	26,103	0
Mbarara	14,286,407,662	68,777,441	14,355,185,103	7,442,074,640	6,036,189,173	876,921,290	876,921,290
Moroto	1,078,810,000	-	1,078,810,000	1,017,508,366	61,301,634		0
Soroti	1,587,666,550	6,206,866	1,593,873,416	1,593,232,900	121,876	518,640	0
Tororo	4,876,196,807	-	4,876,196,807	4,471,309,384	0	404,887,423	404,887,423
Total	95,241,283,259	696,517,457	95,937,800,716	74,775,655,503	11,703,282,881	9,458,862,332	9,458,284,221

Table 10: Status of the Municipal Capacity Building Grant as at March 5, 2019

Municipal Council	Grants brought forward from 2017/18 (Approved Additional Expenditure)	Interest Realised between July 2018 and December, 2018	Total Funds Available for MC to spend from Jul 2018	Actual Expenditure (Jul to Dec, 2018)	Actual Expenditure (Jan 1-Mar 5, 2019)	Unspent Cash Balance as at Mar 5, 2019	Value of Work Certified & Retention as of 5/03/19
Arua	-	-	-	-	-	0	-
Entebbe	60,287,355	207,944	60,495,299	40,126,373	-	20,368,926	20,368,926
Fort Portal	108,212,054	-	108,212,054	107,739,125	472,929	-	-
Gulu	-	-	-	-	-	-	-
Hoima	72,806	-	72,806	-	72,806	-	-
Jinja	49,916,228	-	49,916,228	-	49,222,525	693,703	693,703
Kabale	194,903,065	-	194,903,065	186,944,462	7,958,603	-	-
Lira	156,804	-	156,804	156,804	-	-	-
Masaka	1,154,534	-	1,154,534	1,115,818	-	38,716	-
Mbale	7,879,291	-	7,879,291	113,250	7,740,000	26,041	-
Mbarara	46,305,560	664,804	46,970,364	-	2,642,658	49,613,022	49,613,022
Moroto	50,969,402	-	50,969,402	34,191,959	16,777,443	-	-
Soroti	-	-	-	-	-	-	-
Tororo	-	-	-	-	-	-	-
Total	519,857,099	872,748	520,729,847	370,387,791	79,601,648	70,740,408	70,740,408

05 Challenges affecting closure

The migration of from IFMS tier II to tier I paused a number of challenges to the municipalities with most of them failing to pay contractors for the interim certificates issued. The problems caused by the migration were resolved, however, completion of civil works was delayed by approximately three months.

Civil works in Jinja Municipality were delayed by the complaints from stakeholders and the relocation of UMEME power lines. These have been resolved and civil works is progressing well.





A



B



C



D

Captions:

A: The Masaka Road rehabilitating roads which are substantially complete. Entebbe is rehabilitating the Kitoro taxi park which is substantially complete.

B: The Masaka Road rehabilitating roads which are substantially complete. Entebbe is rehabilitating the Kitoro taxi park which is substantially complete.

C: The Masaka Road rehabilitating roads which are substantially complete. Entebbe is rehabilitating the Kitoro taxi park which is substantially complete.

D: The Masaka Road rehabilitating roads which are substantially complete. Entebbe is rehabilitating the Kitoro taxi park which is substantially complete.