

## THE THIRD FINANCIAL MANAGEMENT AND ACCOUNTABILITY PROGRAMME (FINMAP III) ANNUAL REPORT FY 2016/17

MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT



















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# List of Acronyms and Abbreviations

ACCA Association of Chartered Certified Accountants

AGO Accountant General's Office

AMIS Aid Management Information System

AMP Aid Management Platform

ASSIP Accountability Sector Strategic Investment Plan

BTTB Background to the Budget

BFP Budget Framework Paper

BMAU Budget Monitoring and Accountability Unit

BoU Bank of Uganda

CAAS Computerised Accounting and Auditing Systems

CEMAS Computerized Education Management and Accounting System

CFR Charter for Fiscal Responsibility

CIA Chartered Institute of Internal Auditors

CISA Certified Information System Auditor

CIPS Chartered Institute of Purchasing and Supply

CFE Certified Fraud Examiners

CG(s) Central Government(s)

CGAP Certified Government Auditing Professional

COFOG Classification of the Functions of Government

COSASE Committee on Commissions, Statutory Authorities and State Enterprises

CPAU Certified Public Accountants of Uganda

CPD Continuous Professional Development

CPL Computer Point Limited

CSGBAG Civil Society Budget Advocacy Group

DARC Development Assistance and Regional Cooperation

DEA Directorate of Economic Affairs

DFID Department for International Development

DOB Directorate of Budget

DTA Double Taxation Agreement

EFT Electronic Funds Transfer

FINMAP Financial Management and Accountability Programme

GDP Gross Domestic Product
GoU Government of Uganda

HLG Higher Local Government

HoD Head of Department

ICPAU Institute of Certified Public Accountants of Uganda

IFMS Integrated Financial Management System

IMEM Integrated Macro-Economic Model

IPPS Integrated Personnel, Payroll and Pension System

IPPU Institute of Procurement Professionals of Uganda

ISSAIs International Standards of Supreme Audit Institutions

JAF Joint Assessment Framework

JARD Joint Annual Review of Decentralisation

JBSO Joint Budget Support Operation

JBSF Joint Budget Support Framework

KFW Kreditanstalt Für Wiederaufbau (German Development Bank)

LAN Local Area Network
LG(s) Local Government(s)

LGAC Local Government Accounts Committee

LGMSD Local Government Management and Service Delivery Programme

LLG Lower Local Government

LGWG Local Government Working Group

MDAs Ministries, Departments and Agencies

MALGs Ministries, Agencies, and Local Government(s)

MoFPED Ministry of Finance, Planning and Economic Development

MoLG Ministry of Local Government

MoPS Ministry of Public Service

MPS Ministerial Policy Statement

MTEF Medium Term Expenditure Framework

NGO Non Governmental Organisation

NITA National Information Technology Authority

NTR Non Tax Revenue

OAG Office of the Auditor General

OBT Output Budgeting Tool

ODA Overseas Development Assistance

00B Output Oriented Budgeting

PAC Public Accounts Committee

PBB Programme Based Budgeting

PEFA Public Expenditure and Financial Accountability

PFAA Public Finance and Accountability Act

PEMCOM Public Expenditure Management Committee

PFM Public Financial Management

PFMA Public Finance Management Act

PIMIS Public Investment Management Information System

PPDA Public Procurement and Disposal of Public Assets Authority

PPMS Procurement Performance Measurement System

PUSATI Public Universities and Self Accounting Institutions

RIPA Royal Institute of Public Administration

SAM Social Accounting Matrix

STP Straight Through Processing

TC Town Council

TNA Training Needs Assessment

PTC Programme Technical Committee

UCF Uganda Consolidated Fund

USD United States Dollars

USMID Uganda Support for Municipal Infrastructure Development Program

VFM Value for Money

URA Uganda Revenue Authority

URSB Uganda Registration Services Bureau

# Statement by the Task Manager

The financial year 2016/17 marked the second last year of implementation of the Financial Management and Accountability Programme – phase three (FINMAP III). The FY2017/18 will in effect be the last in the current phase. FINMAPIII embodies Government of Uganda's implementation framework of the current four-year Public Financial Management (PFM) Reform strategy (also ending FY2017/18).

This report takes stock of the Programme's PFM Reform efforts during the year – highlighting key outcomes, providing accountability to our key partners, and in effect affirming Governments commitment to strengthening the PFM systems for effective service delivery. Indeed, Government has already commissioned the review and extension of the Reform Strategy to guide implementation for next four years (FY 208/19 – FY2022/23).

Again, I wish to acknowledge the contribution of our partners who have fervently supported the Country's reform drive – helping to set strategic agenda as well as financial support. In a special way, I commend the financial support accorded to FINMAPIII during the financial year by KFW, DFiD, Denmark, Norway and the European Union.

I take note of Uganda's commendable performance in the PEFA Assessment 2016 since the last assessment in 2012. Uganda's public financial management systems were rated strong with notable advances attributed to the various reform initiatives supported by the programme across the broad themes of budget credibility, control and oversight. The mid-term review of the Programme conducted during the year recommended furtherance of the reform efforts to bridge the deficiencies revealed in the PEFA Assessment in aspects such as risk management and sectors strategies linked to multi-year budgeting et cetra.



Among the key achievements during the year was the completion and launch of the integrated macroeconomic model. The model will be used to forecast the country's financial envelope, supporting analysis of the impact of a wide range of policy scenarios on the economy, government finances, and household income and poverty indicators – for targeted policy formulation.

Furthermore, the financial year 2016/17 marked the end of the roll out of the IFMS mid rage solution in pursuit of Governments policy on systems integration. Going forward, the Programme prioritized proliferation of IFMS Tier 1 across all Local Governments. This will enhance budget controls and lay ground for interfacing the payroll with the IFMS to ease reconciliation and improve credibility. In this regard, efforts to clean up the pay roll continued in earnest, saving government billions in the process.

Notably, the Programme Based Budgeting system was rolled out to MDAs and used for budget reporting during the year as well as preparation of budget framework papers. Efforts to interface the system with the IFMS had already commenced by close of the year. Once complete, the reform initiative will enhance performance based planning as it elevates the focus of government from output based budgeting to real changes service delivery.

Other notable achievements include: the completion of the Treasury Accounting Instructions which provide a guiding framework for accounting officers for the operationalization of the PFM Act 2015. Also, Government commenced efforts to review local government procurement regulations as well as the National Public Sector Procurement Policy which has already been submitted to Cabinet for consideration. The broad objective of the amendment is to re-examine the PPDA Act, 2003 amended, with a goal of improving its effectiveness in delivering value for money in public expenditure and ultimately efficiency in service delivery.

Government continued to register sustained positive trends in the proportion of audit recommendations being implemented by MDLAGs, 69.2 per cent this year – drawing ever closer to our anticipated target of 75 percent. This is particularly encouraging especially when contrasted with the 56.2 per cent Internal Audit recommendations implemented in baseline year FY 2013/14.

As per regulation, PEMCOM was able to approve the programmes work plan for FY17/18. Key among the plans will be the extension of the Performance Based Budgeting System to Local Governments; strengthening internal and

external Audit functions by commencing construction of regional offices in Hoima and Moroto regional offices and recruiting the internal auditors; interfacing and rolling out the integrated Financial Management System (IFMS) and the Integrated Personnel Payroll System (IPPS); as well as strengthening of procurement and contract management through additional more procurement audits, follow ups and compliance checks, regulation of procurement professionals across government.

Whereas the forthcoming year FY2017/18 will be the last year of implementation of FINMAPIII, Government will not stall in its aspirations to further strengthen PFM Systems of the Country. Instead, the year will usher in new opportunities already highlighted in various assessments for us to strategise for improvement and consolidate gains made towards achievement of the key objectives on sustainable development intimated in the NDPII. This will require continued concerted efforts of all our key stakeholders including Civil Society and Development partners, without whom the pace of the reforms may not have been sustained hitherto. For God and My Country,

Patrick/Ocailap

Deputy Secretary to the Treasury/FINMAP Task Manager

# **Executive Summary**

This report provides progress in implementation of the Third Financial Management and Accountability Programme (FINMAP III) for the period 1 July 2016 to 30 June 2017. A highlight of key implementation impediments during the period as well as the lessons learnt to mitigate programme risks and challenges.

The programme work plan during FY16/17 was approved at a cost of UGX 78.21bn out of which UGX 68.24bn received from basket partners, GoU inclusive. In addition, the programme received as additional advance funding dedicated for programme activities next financial year from the KFW (Euro 2m) – earmarked for external oversight and EU (Euro 1.741m). This affirms the confidence and commitment that basket partners towards the reform process. These have already been programmed into the FY17/18 budgets. The proportion of expenditure against budget estimates was 81.4 percent.

The programmed expended 93 percent of the funding remitted for the year – representing an improvement in absorption compared to last financial year. Details on timeliness and levels of remittances are furnished in section IV on programme financials (table 6.2).

The basket partners during the year included by KFW, DFiD, Denmark, Norway and the European Union. Details of funding and financial performance are furnished under section VI of the report. These funds were received through two main sources: a basket fund for bilateral and multilateral Development Partners, and GoU.

Again, the analysis of programme performance during the year showed mixed progress across the implementing components. In view of the work plan, the programme registered optimum performance in reforms focused on strengthening central and local government fiduciary systems particularly the proliferation of IFMS systems across MDALGs. Government continued to strengthen the credibility of the active payroll through clean up and

further roll out of the IPPS and related support.

Indeed, follow up of internal audit recommendations was sighted as an area of significant strength rated A from the preliminary PEFA 2016 results conducted during the year. The Internal Auditor General is mandated to follow up on both internal and external audit recommendations. Response to internal audit recommendations improved from C score to B score owing to improvements in Internal Audit management leveraging on the Public Finance Management Act that ties the reappointment of accounting officers to implementing the recommendations.

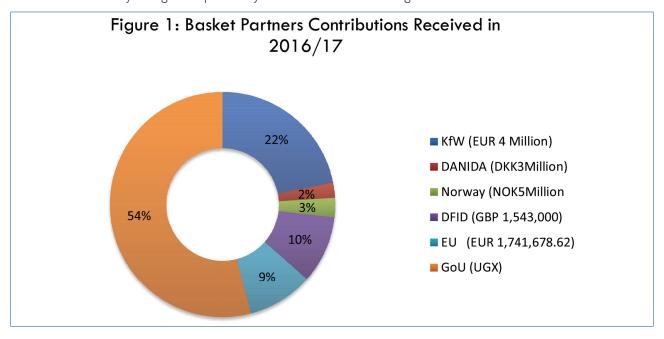
Furthermore, the completion and eventual launch of the macro-economic model (IMEM) during year will further augment the gains registered by the programme in macro economic forecasting for enhancement of budget reliability and evidence based economic policy formulation. The programme based budgeting (PBB) tool was also rolled out to Central Government votes.

Improvements were noted in key programme outcomes especially in follow up of internal audit recommendations and in the proportion of the votes obtaining unqualified audit opinions from OAG. The programme commenced construction of OAG regional offices in Moroto and Hoima – both scheduled for completion in the forthcoming year.

The programme commissioned a mid-term review to assess the progress and achievement of FINMAP III from its inception in 2014 until 2016. The MTR is also intended to identify and inform the stakeholders about activities that could be considered for a potential next phase of the FINMAP programme. The programme was rated satisfactory however noting that the objective of the FINMAP III Programme as presented in the Project Implementation Document was unlikely to be achieved by the end of the Programme. The review also commended the contribution of the programme and recommended a continuation of a subsequent phase of PFM reform.

This position in the MTR was reflected in the PEFA 2016 assessment of Uganda PFM systems at central government which credited major improvements to the reforms currently being championed by FINMAPIII.

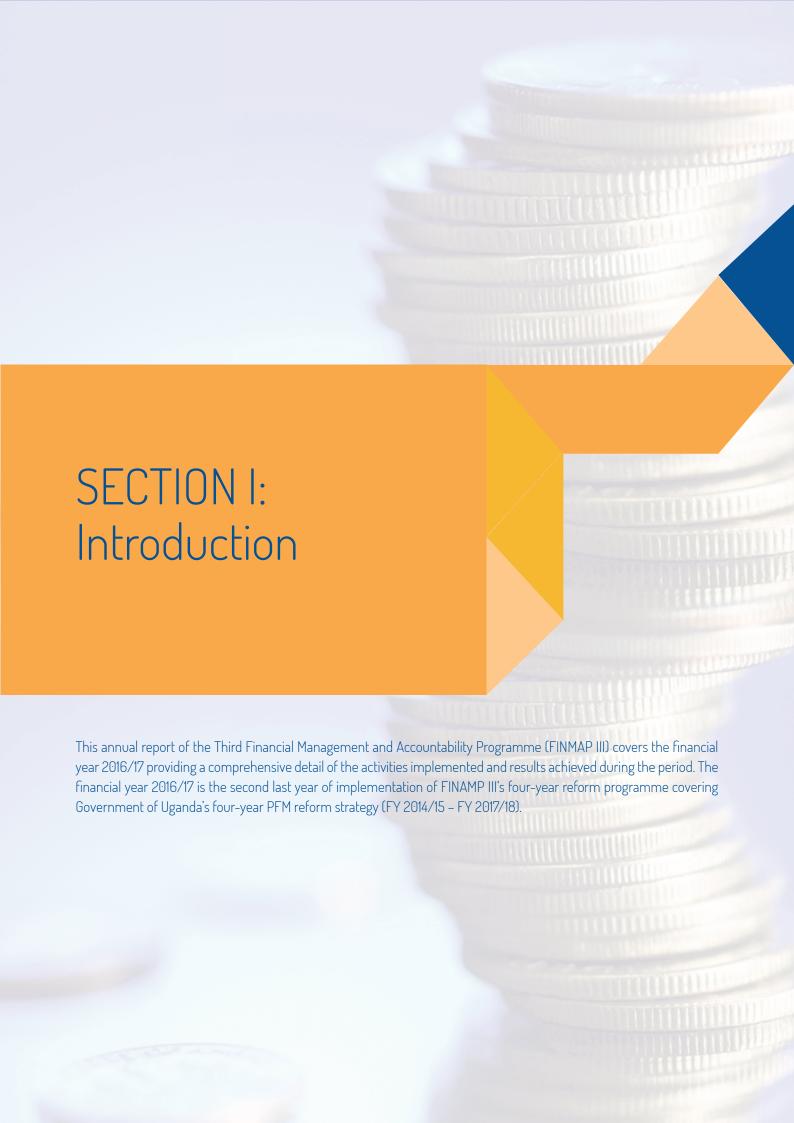
PEFA assessments provide an objective analysis of the performance of the PFM system in countries against the PEFA indicators. This PEFA provided an update of progress in PFM in Uganda since the last PEFA in 2012.



Source: FINMAPIII Financial Records, 2017

Table 1: Highlight of Programme Expenditure FY16/17

Components	Approved Budget Plan	Total Expenditure	%age Expenditure
C3B Outputs: IPPS	3,176,473,770	3,122,293,671	98.29%
C6A: Governance	808,161,143	788,464,237	97.56%
C5: PFM in LG	22,629,272,138	21,372,874,902	94.45%
C4B: Internal Oversight	1,403,531,064	1,306,786,672	93.11%
C6B: Programme Coordination	4,532,382,726	4,069,695,104	89.79%
C3A Outputs: Fiduciary Management Systems in CG	26,341,771,681	23,641,837,025	89.75%
C2: Budget Preparation	2,724,825,750	2,182,723,485	80.11%
C1: Macro-economic Management	2,356,521,472	1,877,377,119	79.67%
C4A: Public Procurement	657,762,143	472,945,179	71.90%
C4D: Legislative Oversight	354,593,200	207,763,091	58.59%
C4C: External Oversight	13,230,798,123	4,619,493,168	34.91%
GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY)	78,216,093,210	63,662,253,653	
AGAINST FUNDS RECEIVED FOR USE IN FY16/17	68,240,433,069	63,662,253,653	93.29%





The report presents experiences during programme implementation: challenges faced; lessons learnt; as well as the opportunities identified for improvement of the programme. It is worth noting that due to the different statutory reporting periods for the some of the components, a number of critical higher level results and outcomes were yet to be published by reporting time. These include the annual Internal Auditor General's report and the OAG annual report. These detailed outcome results are highlighted in annex 1 of the report.

## 1.1 Strategic Objectives

The goal of the PFM reform strategy is "to strengthen PFM at all levels of Government and ensure efficient, effective and accountable use of public resources as a basis for improved service delivery".

FINAMP III has three key reform outcomes: Budget Credibility, Improved Budget Control and Improved Compliance to Rules and Regulations. Each of the outcomes has identified technical areas of where reform will be implemented:

#### **Outcome 1: Budget Credibility**

- a) Macroeconomic stability
- b) Enhanced Resource Mobilization

c) Improved Resource Allocation

## Outcome 2: Improved Budget Control

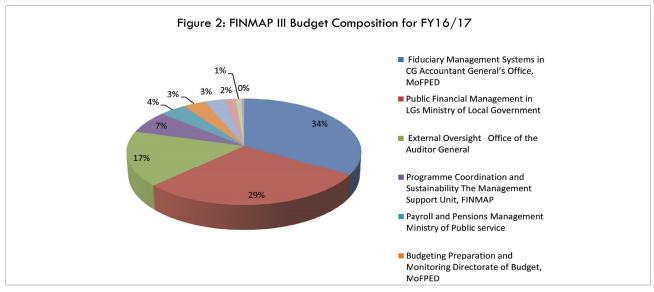
- a) Financial discipline and control
- b) Improved Asset Management
- c) Efficient and Transparent Public procurement system
- d) Strengthened Payroll and Pension Management

## Outcome 3: Improved Compliance to rules and regulations

- a) Institutional Strengthening of Oversight functions
- b) Enhanced and harmonized Legal and regulatory framework
- c) Collaborative and complimentary approach to oversight
- d) Mainstream follow up mechanism of recommendations

## 1.2 Budget Allocation

The implementation of the strategic objectives of the programme is encapsulated in 10 components managed through selected line MDAs in the PFM sub-sector. The composition of budget share by component along with attendant funding allocations in FY 16/17 is highlighted in figure 2 and table 2 respectively.



Source: FINMAP Financial Records, 2017

Table 2: FINMAP III Components and FY 16/17 Budget Allocation

	Component Description	Responsibility Centre	FY 2016/17 Budget Allocation		
			(UGX)	(USD)	
1	Macroeconomic Management	Directorate of Economic Affairs	2,356,521,472	654 <b>,</b> 589	
2	Budgeting Preparation and Monitoring	Directorate of Budget, MoFPED	2,724,825,750	756,896	
3	Fiduciary Management Systems in CG	Accountant General's Office	26,341,771,681	7,317,158	
4	Payroll and Pensions Management	Ministry of Public service	3,176,473,770	882,353	
5	Public Procurement	PPDA	657,762,143	182,711	
6	Internal Oversight	Internal Auditor General	1,403,531,064	389,869	
7	External Oversight	Office of the Auditor General	13,230,798,123	3,675,221	
8	Legislative Oversight	Parliament of Uganda	354,593,200	98,498	
9	Public Financial Management in LGs	Ministry of Local Government	22,629,272,138	6,285,908	
10	Programme Coordination and Sustainability	The Management Support Unit	5,340,543,869	1,483,484	
		TOTAL	78,216,093,210	21,726,692	

Source: FINMAP Financial Records, 2017

Components focused on financial management systems in central government; external oversight management; and financial management systems in local government, continued to have the largest share of the programme budget in FY 2016/17. This is mainly owing to the bulk of capital expenditures particularly systems and construction OAG regional offices (See figure 2).

## 1.3 Programme Management and Implementation

The Deputy Secretary to the Treasury (DST) provides the overall leadership for the programme and is supported

by the Programme Coordination Office comprising of Management Support Team. Component Managers are responsible for implementation of reform activities under their respective components and are assisted by Component Coordinators who are responsible for the day-to-day implementation of the programme. The Public Expenditure Management Committee (PEMCOM) and the Programme Technical Committee (PTC) provide high level policy and technical guidance respectively. Both fora have representation from GoU and the development partner agencies with Civil Society representation in the PEMCOM.



This section of the report provides a detailed analysis of component-specific progress in terms of the activities implemented and outputs delivered, as well as the contribution to specific reform objectives during FY 2016/17. Annex 2 (Progress of Components Outputs Performance) provides the detailed output level implementation status as per the work plan. Results at outcome level are documented in annex 1. Furthermore, this reports attempt to contrast the performance of key outcomes to the PEFA 2016 PFM assessment detailed out in annex 3. The PEFA review credited key improvements to various reforms championed by the FINMAP. The final scores from the PEFA 2017 will be released in FY2017/18.

# Macroeconomic Management

## 2.1. Macroeconomic Management

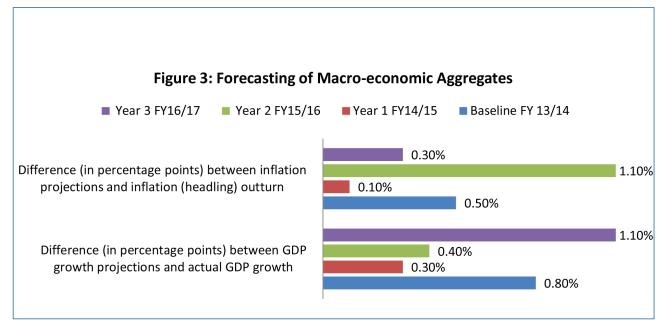
The specific reform objectives of this component are to improve: macro-economic forecasting; the timeliness and quality of tax projections, policy analysis and reporting; as well as widening of the tax base. The reforms also aim to improve the timeliness and quality of analysis of overseas development assistance (ODA) and national debt levels. The implementing entity of the component is the Directorate of Economic Affairs of MoFPED.

## 2.1.1 Forecasting of Macroeconomic Aggregates

One of the objectives of reforms under this component is the reliability of GDP growth forecasts. During the year, there was a decrease in the difference between the inflation projections and outturns from 1.3 to 0.3 percent (see figure 3). Efforts in improvement in the capacity for forecasting macro aggregates continue to yield.

Government scored B for improvements in Macroeconomic forecasts basing on the PEFA 2016. The assessment lauded the fact that resultant projections are discussed and reviewed by the BOU before being subjected to review by the IMF and that the parliamentary Budget Office also reviews the forecasts and advises the legislature as per its mandate but lacks technical capacity. There is need for independent review of forecasts. Figure 3 below indicates trends in the accuracy of projections for macro-economic aggregates.

Like any other forecast, there are risks to the inflation projection. While external sources of inflation are stronger due to stronger global economic activity and the rebound in international commodities prices, uncertainties remain regarding mainly the future path of the exchange rate. The future path of the exchange rate depends on the trajectory of the balance of payments, fiscal position, actual and anticipated demand management policies in advanced economies, which also remain uncertain.



Source: Macro-Policy Department, MoFPED, 2017

From the Background to the Budget 2017/18, we note that inflation is projected to edge up slightly but will remain well anchored to the medium term target of 5 percent. This projection largely reflects global factors such as, the anticipated increase in international oil and commodity prices and, the tightening of global financial conditions and its associated effects on the exchange rate. The residual impact of the drought could also lead to higher prices.

After bottoming at 4.1 per cent in October 2016, annual headline inflation gradually rose, reaching 6.8 per cent in April 2017. Similarly, Core inflation also bottomed in September 2016 at 4.2 per cent, rose to 5.9 per cent in December before declining to 4.9 per cent in April 2017. The inflation outturn is well within BoU's medium term target of 5 +/-3 percentage points for core inflation. The increase in inflation was mainly driven by food prices following the prolonged drought which impacted the country during the first three quarters of 2016/17, the rebound in the international oil prices and depreciation pressures registered during the second quarter of this financial year.

During the year, the following reform activities related to macro-economic forecasting were implemented:

### The integrated macro-econometric model (IMEM)

The focus of the programme was to oversee the completion of the development work and eventual launch of the integrated macroeconomic model (IMEM). The IMEM is made up of three models i.e. the computable general equilibrium (CGE), the macro econometric and micro simulation models.

The integrated macroeconomic model for the country enhances accuracy in capturing the interrelationships between government, the economy and households and allows for robust impact analysis across a range of scenarios.

The lengthy development process adopted a participatory approach with stakeholder consultation taking place at every stage of the project and an extensive capacity-building programme – including mentoring, training and workshops – to ensure the sustainability of the model beyond the life of the project.

This key reform was based on the realisation that over the years, the economy had evolved and become sophisticated thus requiring new analytical tools to deal with new aspects of the economy and yet existing economic analysis frameworks had significant limitations.

For instance the lack of labour market scenarios in the existing frameworks meant that there was a limitation in analyzing the impact of public policies on employment. In addition, the frameworks focused largely on Macro level economic variables. There was inadequate assessment of impacts on the micro level (for instance household income and inequality).

The model will be used to forecast the Country's financial envelope, supporting more effective priority-setting and resource allocation. It will also support analysis of the impact of a wide range of policy scenarios on the economy, government finances, and household income and poverty indicators – providing evidence to feed into more targeted policy-making to achieve wider development goals.

More broadly, effective modelling will help contribute to the formulation of sustainable and consistent economic policy and development strategies. Over the longer-term, this should support improved public service delivery and better development outcomes for the citizens of Uganda.

## Sustainability of the macroeconomic modelling initiative

The programme continued to support the macroeconomic modelling unit that was established in 2015/16 in the Directorate of Economic Affairs. Ongoing analysis is already ongoing determine the impact of infrastructure projects on economic growth and anticipated dividends. These scenarios will be used to inform the FY18/19 budgeting process.

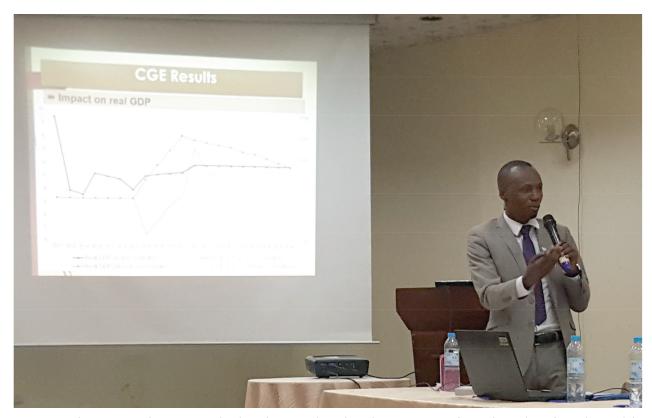
As part of the sustainability strategy for the reform, plans are underway to enhance collaborations with the Research Institutions (such as EPRC) and Universities (MUK) in enhancing hands-on modeling skills in these institutions to have constant flow of macro modeling capacity.

The next steps include the following:

- (a) Update of the new Social Accounting Matrix to reflect new scenario. The current SAM was based on 2009/10 statistics
- **(b)** Exposing the Economic Policy Research Publications that are vetted by academia and policy analysts (Quality Assurance)
- (c) Integration of new sectors of the economy in the IMEM Model (such as oil oil as data gets available)
- (d) Continue building capacity in increase the critical mass in macro modeling for all government economists.



Picture 1: Mr. Keith Muhakanizi (Permanent Secretary/MoFPED) and to the far right, Mr. Johnson Mutesigensi (Programme Coordinator/MoFPED) at the launch of the IMEM



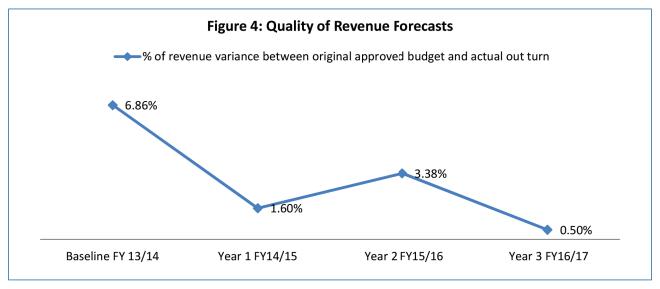
Picture 2: In-house trained Economists leading the IMEM launch and presentation of sample analysis from the model

## 2.1.2 Quality of Revenue Forecasts, Monitoring and Evaluation

The tax revenue-GDP ratio forecast was 13.4 percent in FY2015/16. The projected outturn for FY2016/17 is 13.9 percent, only off the mark by 0.5 percentage points. The variance in revenue forecasts in relation to the outturn has continued to narrow signifying enhanced accuracy

(figure 4). The new IMEM model supported under FINMAP will go a long way in enabling analysis on fiscal sensitivity.

This was furthered affirmed in the PEFA 2016 Result where Uganda scored B. The assessment noted that Uganda's Medium term forecasts are mainly comprised of fiscal indicators including revenue by type, expenditure, budget balance and underlying assumptions and they form part of the budget documentation sent to the legislature.



Source: Macro-Policy Department, MoFPED, 2017

However there was no explanation of deviations between previous year's forecasts and actual fiscal outturns – representing an area for improvement. Fiscal impact of policy proposals scored B because there was no evidence that all (over 75%) policy proposals are subject to fiscal impact analysis.

## 2.1.3 Widened Tax Base and Improved Tax Administration

Improvements in tax administration scored B in PEFA 2016 Result. A comparison of analysis with PEFA 12 is attached in annex 3. Government continues to support URA's efforts to improve compliance and enforcement by providing additional resources to capacity gaps in terms of human capital development, systems infrastructure as well as required facilities to mitigate revenue leakage and increase the revenue effort over and above the policy target of 0.5 percentage points of GDP every financial year.

#### Tax to GDP Ratio

The projected outturn for FY2016/17 tax revenue to GDP ratio of 13.9 percent, an increase of 0.5 percentage points of GDP compared last year's final numbers at 13.5 percent. Despite this significant increase, the tax to GDP ratio remains below the Sub Saharan average.

#### NTR to GDP

Collections for the period July 2016 to April 2017 amounted to UGX 275.31 billion against the target of UGX 276.65 billion giving a slight shortfall of UGX 1.33 billion. This performance was boosted by a remittance of UGX 26.16

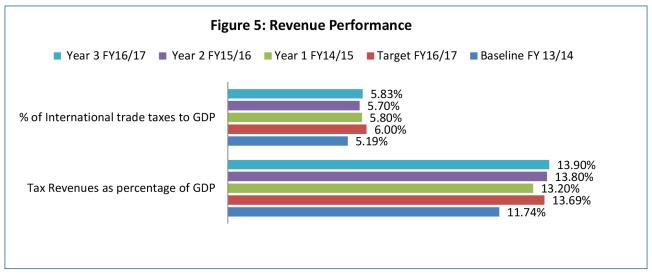
billion from Uganda Communications Commission during the month of April 2017. To improve the performance of all NTR in the next financial year and in the medium term, all fees will be collected by Uganda Revenue Authority on behalf of the respective MDAs for transparency and ease of monitoring. Prior, majority of the fees are being collected by Uganda Revenue Authority on behalf of Government Departments and Agencies (MDAs) while others are still being collected by the MDAs themselves.

The Programme supported the following key activities intended to contribute to increase in resource inflows:

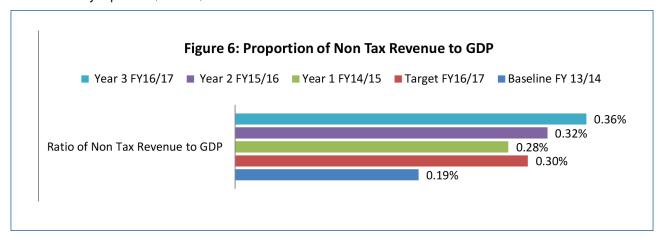
## Support for Development of the Domestic Revenue Mobilization strategy

Key developments in this area during the financial year FY2016/17 included efforts towards development of a Domestic Revenue Mobilization strategy where a dedicated DRM working group was constituted. The working group comprises of all key development partners and line MDAs with keen interest of harmonizing government towards expanding and actualising the countries revenue potential.

In view of the next financial year and the medium term, studies to estimate Uganda's tax potential will be undertaken in collaboration with Development Partners to inform the development of the Domestic Revenue Mobilization strategy. The studies will focus on how changes over the past two decades could have created misalignment between the tax structure and the economic structure, an in-depth analysis of elasticity and tax gaps; and how the current structure of taxation could be adjusted to maximize revenue mobilization effort.



Source: Tax Policy Department, MoFPED, 2017



Source: BTTB FY17/18, MoFPED, 2017

Government is further committed to increasing efforts in Domestic Revenue Mobilization focusing on identifying gaps in the existing structure and developing a strategy to improve efficiency of the various tax heads and overall efficiency in tax administration. This will consequently broaden the tax base such that all productive sources of growth are brought into the tax net. The strategy will provide for avenues to raise additional revenue and make technical amendments in the tax laws to simplify compliance, harmonize procedures, limit tax avoidance and ease the cost of doing business.

#### Capacity building for Tax Administration

FINMAP continued to support capacity building efforts in tax administration of URA through training. Support was also extended to the Tax Policy Department through facilitation of a consultancy to undertake training for International Taxation Audit.

## 2.1.4 Improved Quality and Timeliness of Reporting on Official Development Assistance (ODA)

During the year, FINMAP made a final payment to the contractors for the development of the Aid Management Platform. The final pha se of the AMP initiative is planned for next financial year FY17/18. The component signed an addendum to have the AMP interfaced with the Programme Based Budgeting System. This will be coupled with technical training on AMP.

The first phase of training in the previous years has been user training. The technical training will involve technical users in the MoFPED MIS departments to take over management of the system and capabilities for reprogramming et cetra following handover of the source code.

Whereas the tool has enhanced reporting on donor budgeting and disbursements, access to develop partners information on off budget support remains a challenge. It is proposed that government makes this information a prerequisite for enhanced transparency through the various donor working groups.

The indicator measuring efforts on this initiative on the proportion of Development Partners Submitting quarterly projected disbursement by the 10th of the next quarter will be reviewed because in reality the dates of disbursement are determined by the respective MoUs.

## 2.1.5 Improved Quality and Timeliness of Debt Analysis

The results of the latest Debt Sustainability Analysis conducted in November 2016 show that Public Debt is sustainable in the medium term and the long term. The significant growth in debt accumulation has been as a result of deliberate effort to frontload infrastructure investment in a bid to achieve the goals of the National Development Plan. Public debt stock as percentage of GDP increased during the year to 35.4 percent (compared to 34.5 percent the previous year) – see figure 7 below. Again, this is under the target and well below the EAC monitoring union convergence criteria threshold of 50 percent.

According to the BTTB FY17/18, the Country's external public and publicly guaranteed debt remained sustainable and was at low risk of debt distress. However, Government remains cognizant of the recent increase in public debt, and shall continue to prioritize concessional financing as the preferred means of meeting financing. Non concessional debt will only be contracted for projects that are economically and financially viable.

Government has continued efforts to strengthen cash and Debt directorate. By close of the year, the structuring and reorganisation of the Directorate had been completed. The next steps involve filling of the substantive positions in both front and back offices of debt management.

#### Fiscal Deficit

In order to support the scaling-up of public infrastructure investment, Government pursued an expansionary fiscal policy stance with the budget deficit projected to be 3.6 percent of GDP in the Financial Year 2016/17. This is, however less than the planned fiscal deficit of 6.6 percent at the start of the Financial Year.

This performance is largely attributed to the under performance of the externally financed development budget. A major challenge for externally financed projects is low absorption. Compared to the projections from the FY2016/17 Budget, only 24.5% of external project assistance had been disbursed as of December 2016.

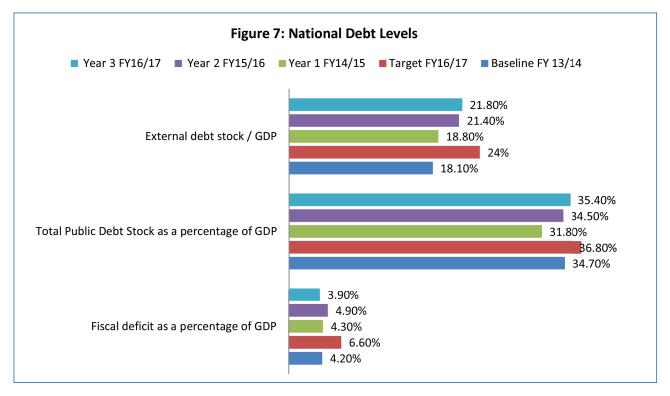
#### **DMFAS**

During the financial year, MoFPED progressed efforts to operationalize the debt management and financial analysis system (DMFAS) with development of a prototype interface linking DMFAS, IFMS and PIMIS as a first step. The purpose of the system is to manage debt related expenditures and revenues, which ultimately will reinforce control measures for public expenditure. The prototype tool will be used to engage and train users on the functionality of DMFAS before a fully fledged system is finalised. In the coming year, the programme will continue to support the institutional capacity of the recently established Directorate of Debt and Cash Management.

Separately, In FY 2016/17, Government completed the Charter for Fiscal Responsibility, which provides a strategy for operating a fiscal policy that is consistent with sustainable fiscal balances over the medium term and the maintenance of prudent and sustainable levels of public debt. It specifies measurable fiscal objectives for the medium term. The Charter will be key in propelling the country to attain the East Africa Monetary Union (EAMU) convergence criteria in 2021.

Government's Fiscal Objectives for FY 2016/17 were in line with the Charter for Fiscal Responsibility which emphasizes sufficiency in revenue mobilization, sustainable levels of fiscal balance and public debt over the medium term, management of revenues from natural resources, management of fiscal risks in a prudent manner and consistency of the Medium Term Expenditure Framework with the National Development Plan.

Whereas the consolidated financial statements put the figure of domestic arrears at UGX.2.254 trillion the audited position of the Internal Auditor General puts the figure at UGX.2.700 trillion as at 30th June 2016 leading to a variance of UGX.446Bn. OAG Report 2016 noted that Accounting Officers are paying for domestic arrears which previously were not disclosed nor budgeted for, and that some entities did not fully disclose their arrears position as a result of the guidance provided by the PS/ST. This scenario points to weaknesses in the commitment control system that continues to enable accounting officers to incur domestic arrears, as well as absence of a clear policy to entities regarding the treatment of arrears that do not meet the criteria set in the guidance.



Source: Directorate of Debt & Cash Management, MoFPED, 2017

# **Budget Preparation and Monitoring**

## 2.2 Budget Preparation and Monitoring

The specific reform objectives of this component are to ensure: timely and realistic budget preparation; timely and quality budget analysis and monitoring; timely and quality project design, appraisal, monitoring and evaluation; and quality Public Private Partnership-based project designs in MDAs. The results achieved during the fiscal year are highlighted below:

## 2.2.1 Improve the Timeliness and Accuracy in Budget Preparation

Government continued to register optimal performance in the timeliness of budget submissions by MDAs. This commendable performance can be linked to two factors: the continuous training of planning and budget staff in MDAs; and the enforcement of the new budget calendar as stipulated in the PFMA 2015. This ensures that the national budgets are approved by the 1st day of July each year.

The performance of budget preparation process in the PEFA 2016 scores was maintained at A. The optimum performance follows excellent achievement in aspects of Budget submission to the legislature, provision of Guidance on budget preparation; and, Budget calendar that allows 6 weeks for the completion of estimates and is adhered to. The Executive was commended for submission of the budget to the legislature at least 2 months before the start of the FY in each of the last 3 years. The PBB reform initiative of the programme was acknowledged.

The timeliness and accuracy in budget preparation remained at 100 per cent for three years running. All MDAs were able to submit budget on time during the FY16/17. This continued performance has also been contributed

to by the graduate economist scheme under the programme. More economists were recruited to support budget preparation and planning function under the scheme. Again, these were critical in the timely finalization of the budget and half-year Budget Performance Reports. Critically these economists formed a basis for building capacity in the MDAs in the new Programme Based Budgeting approaches. However, as part the programmes sustainability strategy, the component resolved not to replace any departing graduate economists while some have been absorbed into the public service albeit through typical competitive processes.

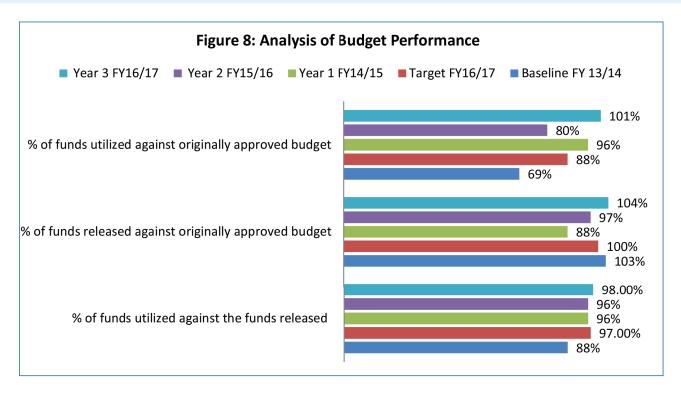
# 2.2.2 Improved Timeliness and Quality of Budget Analysis, Monitoring and Evaluation

Improving the timeliness and quality of budget analysis, monitoring and evaluation is a core objective under this component. Performance in terms of utilization of budget improved across the board. See figure 8 below. However, performance over the 100 per cent mark appears to reveal supplementary budgets. This is an area that remains for improvements.

## The following key reform activities were also undertaken during this financial year:

#### Rollout of the Programme based budgeting system

The component continued operationalization of the programme based budgeting framework as the principle focus of the component in FY16/17. The Intermediate plans for rollout out of the PBS were focused on MDAs with the intention of availing more time for local governments to acquaint themselves with the initiative in the forthcoming FY17/18.



Source: Department of Development Assistance, MoFPED, 2017

During the year, the new system was used for budget reporting for the first quarter of FY16/17 and preparation of the FY17/18 budget. Having foreseen the shift from outputs base budgeting, the component was able to guide MDAs in their maiden approach in preparation of annual plans for FY17/18 in the PBB environment. PBB is a budget practice that entails a shift in emphasis from outputs to outcome budgeting as a means of improving service delivery. The programme facilitated training for technical staff in MDAs on the Program Based System (PBS).

In addition, the Programme supported development user guides for BFP preparation and quarterly reporting for central government votes. This had been completed by close of the year, only pending final approval by top management.

Key challenges encountered during the rollout of the PBB to central government revolved mainly around articulation of programme outcomes and intermittent networks in some MDAs for the case of the PBS. The transition to PBB requires that MDAs have a firm grasp of well aligned outcomes and SMART key performance indicators against which to measure progress during the reporting. Most MDAs found this challenging. Support in this area will therefore form a major part of the plans for next financial year in liaison with NPA, OPM and UBOS. However, as expected, MDAs continued to improve in the usage of the PBS as they acquainted themselves with the system throughout the various aspects in the budget cycle like preparation of budget estimates, reporting et cetra.

Next financial year, the plans entail roll out Performance Based Budgeting System to Local Governments; and, strengthening Programme Based System (PBS) usability in CG through training and on-site support engagement of the PBS users. Furthermore, plans are still underway to interface to system with the IFMS to enable automatic synchronization of budget data.

## National Parameters in Support of Project Appraisal

The programme had set out to develop a framework for public private partnerships. However, GoU in collaboration with the World Bank undertook diagnostic assessment of the current Public Investment system and proposed the development of the national parameters to support project appraisal. This took precedence over the initial proposed activity and going forward, a contract was signed for consultancy to develop National Parameters for Project Appraisal on 19 April 2017. This is already planned for execution in FY17/18.

The WB diagnostic study focused on the processes underlying the preparation of project proposals, the approval of projects to be included in the Public Investment Plan (PIP), the cost benefit and effectiveness analysis for appraisal of projects, the procurement of contractors and the monitoring and evaluation of implemented projects.

This study was a follow-up of the Public Expenditure Review (PER) by the World Bank in 2010 that identified a relatively weak Public Investment Management System (PIMS) as the key binding constraint to timely implementation of Development Projects across government institutions.

One of the main findings of the diagnostic assessment was that there were inconsistencies between the Development Partners (DPs) and the country's Public Investment Management (PIM) processes given that a significant portion of investment projects are foreign funded.

A survey of literature on the economic evaluation of projects reveals that the use of simple market prices in economic appraisal is considered inadequate in determining the impact of public projects on welfare. Many Countries have therefore adopted the practice of converting market prices into economic prices (shadow prices) as a basis of establishing the true economic values of appraised projects. In addition, the challenge of addressing project proposals of uneven quality is best addressed by having a set of standard parameters for use in the appraisal process.

Currently, Uganda depends on shadow prices applied by Development Partners (DPs) which may vary depending on the DP and may not be reflective of existing economic conditions. In order to ensure a uniform standard and quality of proposals submitted for the Public Investment Plan (PIP), it is recommended that Uganda develops its own parameters to support economic evaluation of projects.

It is to this end that GoU sough to develop a comprehensive set of national parameters as part of the key interventions needed to strengthen the Public Investment Management Systems. The overall objective of the assignment is to develop National Parameters, Commodity-Specific Conversion Factors (CSCF) and unitary prices database for Uganda to facilitate the economic and social appraisal of investment projects in Uganda. In particular the database should be able to provide information on:

- (a) National Parameters and shadow prices in support of project appraisal including (i) the Economic Opportunity Cost of Capital, (ii) foreign exchange premium, (iii) premium on non-tradable commodities (iv) tax rates including VAT, excise duty
- **(b)** Commodity Specific Conversion Factors for tradable commodities/services
- (c) Commodity Specific Conversion Factors for non tradable commodities/services
- (d) A unitary prices for domestic and imported materials In Fy17/18, the focus of the component will be to deepen reforms in strengthening public investment management through;
- a) Establishing a database of National Parameters and shadow prices in support of project appraisal
- b) Commencing works on the establishment of an Integrated Bank of Projects(IBP)
- c) Train MDAs on project appraisal

# Fiduciary Management Systems in Central Government

## 2.3 Fiduciary Management Systems in Central Government

The component's specific reform objectives are to improve the timeliness, quality and comprehensive of financial reporting at central government entities including MDAs, foreign missions, donor funded projects, public universities and self accounting tertiary institutions (PUSATIs). In addition, the component aims to improve cash management in government. The results achieved during the fiscal year are highlighted below:

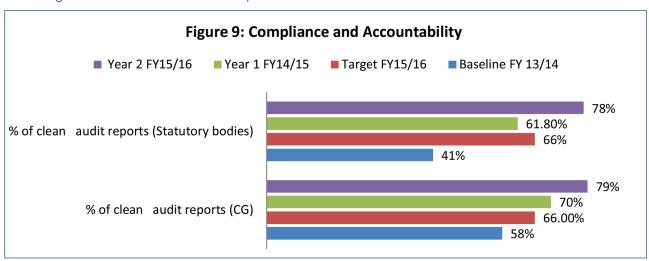
# 2.3.1 Improved Timeliness, Quality and Comprehensiveness of Financial Reporting by Central Government entities

By the end of the statutory reporting period, the component anticipated significant improvement in the quality of financial reporting in the proportion of MDAs submitting financial reports in compliance with the Public Finance Management Regulations 2016. It was expected that continued effective utilization of the IFMS by MDAs and local governments should deliver this improvement.

Timeliness of financial reporting in central Government entities remained at optimum level of performance. All MDAs and foreign missions submitted reports at the end of the financial year within the statutory requirement. In addition, 99 per cent of all MDAs, excluding DFPs, are executing budgets using the automated financial management systems supported under FINMAP. The latest results on cleanliness will be highlighted in the OAG Report FY16/17 expected in December 2017.

There was an improvement in the percentage of statutory bodies with unqualified audit opinions from 61.8 percent in 2014/15 to 78 percent in FY 2015/16. The percentage of MDAs with unqualified audit opinions increased to 79 percent in 2015/16 from 70 percent in 2014/15 (figure 9).

Also, there was 69 percent compliance rate with set financial reporting standards; 100 percent compliance with Treasury Single Account Requirements; and 83 percent compliance of Donor Financed Projects with financing agreements Terms of Reference. These were all on target while only 80 percent of MDAs submitted reports on time below the target of 100 percent.



Source: Accountant General's Office, MoFPED, 2016

**PEFA 2016 Result:** Accounts reconciliation and financial data integrity are areas of strengths (score B+). Bank account reconciliation is timely (score A). There are no suspense accounts (score A) Advances are managed manually outside the main financial management system (IFMS) which makes tracking and reconciliation in a timely manner difficult (score D). However, data integrity is good (score A) due to oversight of the Quality Assurance and Compliance Unit in the Financial Management Services Directorate at AGO. Effectiveness of expenditure commitment controls improved from C to B.

## The following key reform activities were undertaken during the year:

#### Capacity building for the AGO Inspectorate Function

The programme supported the development of an Inspection Manual for PFM Inspectors under Accountant General's Office. The manual is supposed to align the inspection methodology to the new PFM law. The manual guides Inspectors on aspects of Inspection planning, scoping and analysis of inspection results along PFM parameters. The dissemination of the Inspection manual will be undertaken next FY17/18.

#### Enhancement of systems security for the IFMS

The component continued engagement with consultant for enhancement of systems security for the IFMS in light of the risks experienced with respect to attempted breaches. Towards the close of last financial year, IFMS security incidents involving attempts to process unauthorised payments from government accounts in Bank of Uganda were reported.

FINMAP prioritised the provision of system security tools, GRC, Audit Vault and related capacity building. By close of the financial year, all the four GRC Modules (AAGC, CCG, TCG & PCG had been fully implemented and in use. This is critical because the implementation of the PBS linkages with the IFMS was also contingent on implementation of the GRC, Audit Vault and Database firewall to enable the seamless transfer between IFMS and PBS. By close of the financial year, requirement engineering had been undertaken. It is envisaged that operationalization of the interface will be furthered in the forth coming financial year.

In addition, the Audit Vault and Database Firewall were implemented to safeguard the database from unauthorised access and enables creation of permanent log for all activities and changes in the database. A functional security expert is currently providing support and on job training for staff.

#### E-Cash Platform

Towards the end of the financial year, MoFPED adopted E-Cash modalities leveraging on the Stanbic bank mobile banking platform. The purpose of this initiative is to address risks of drawing and paying out physical cash by introducing a more secure and robust cash pay platform – allowing for transfers to beneficiaries through mobile money platforms as well as directly to specified bank accounts for one-off payments. It is envisaged that this will cause a reduction in cash advances. Key analysis to assess the impact of the initiative in this regard will be made at the end of next financial year.

Oracle based payment was also enabled. This has enhanced security and function of IFMS EFT payments by enabling the system to compile, format and trasmit payments directly from the application (front end) other than the database.

## Roll out of the Integrated Financial Management System (IFMS) Solution

During FY16/17, GoU affirmed its policy to further rollout IFMS Tier I to local governments (LG). Going forward into FY17/18, the Programme adopted a transitional plan that seeks to convert the hitherto IFMS Tier II LG sites to Tier I. This is in furtherance of the GoU policy decision to rationalise and intergrate PFM systems.

The component (under the stewardship of Accountant General's Office) in liaison with the MoLG also planned to commence the rollout of IFMS to 29 additional Local Governments. By close of the financial year, the component had implemented and supported Go-Live at 10 Local Governments in Batch 1 and completed Civil Works and associated change management in 19 sites (Batch 2). The rollout for these is on course but go-live was been pushed to FY2017/18 due to transaction data migration challenges.

Rollout of IFMS to 30 DFPS: The component planned to extend IFMS to 4 DFPs RCIP, FIEFOC, Uganda Skills Development Project, and Albertine Region Sustainable Development Project. By close of the year, system configuration for the planned 19 UNRA DFPs had been undertaken.

During the period, the component organised a workshop to engage stakeholders to address emerging contraints in fast tracking the uptake of this reform initiative for donor funded projects. The key constraints to date are twofold:

(a) Reporting – Various Development Partners have differing reporting requirements and detail

making development of a plethora of multiple reports impossible. This was affecting the uptake of the system. Going forward, GoU agreed to come with up to 8 reporting capabilities that suit 90 per cent of the donor's requirements. This has been made possible with enhancement of data centre capabilities (to be completed in next FY17/18) to allow for a system development environment for testing and developing the agreed reports.

(b) Disclosure of DP Information – A number of the development partners still don't provide comprehensive information in terms of disbursements having made commitments at appropriation of budget. This remains a challenge that negates optimal use of the system.

Furthermore, the programme facilitated the rollout of Navision to two (2) new Uganda Foreign Missions. The system was deployed at Uganda Embassy in Mombasa and Malaysia- Kuala Lumpur.

A key challenge during the year were reccurent reports of suboptimal system performance in some MALGs in terms of proccessing speed which affected operational efficiency. This is mainly on account of end of life of key IFM intrastructure and critically, the increasing system requirements to cater for additional functionalities.

Table 3.1 IFMS IMPLEMENTATION STATUS - June 2017

	Entities/Votes	Detail	Votes	IFMS Fully implemented	Ongoing FY2016/17	Planned FY2017/18	Pending
1	Ministries	IFMS Tier I (Oracle Financials)	22	22			
2	Agencies and Departments	IFMS Tier I (Oracle Financials)	55	47	6	2	
3	Hospitals	IFMS Tier I (Oracle Financials)	16	16			
4	Projects (Donor & GoU)	IFMS Tier I (Oracle Financials)	143	26	30	35	52
6	Foreign Missions	FMFMS (Microsoft Navision)	35	33	1	1	
7	Public Universities	CEMAS	10	0	3	5	2
		Hybrid Votes (Salaries only) IFMS Tier I	10				
8	Local Govern- ments	IFMS Tier I (Oracle Financials)	155	14	29	25	28
	(130 Districts & 25 Municipalities)	IFMS Tier II (Microsoft Navision)		59			
		IFMS Tier II Conversion to IFMS Tier I		0	0	22	37
		Hybrid Votes (Salaries only) IFMS Tier I	82				
	Total			217	69	90	119

Source: AGO, 2017

#### Rollout of the Fixed Assets Module

The component planned to rollout the IFMS Fixed Asset Module to an additional 40 MDAs with a view to improve accountability for fixed assets held by a vote and provide a firm information base for accrual accounting. To date, the module has been rolled out to 45 votes. This includes referral hospitals, Financial Intelligence Authority, MoFPED and OPM. For all new sites, the module has been enabled at go-live. A highlight of the Fixed Asset Module Rollout plan (see annex 4) and the GOU Systems plan (Table 3.2) is provided.

Table 3.2 Overview of PFM Systems GoU Plan

	SYSTEM	2016/17	2017/18	2018/19
	Existing	Check plan		
1	IFMS Tier 1	Rollout to 40 DFPs, 29 LGs and 6 PUSATIs	Rollout to all25? remaining DFPS, 45 LGs and 4 PUSATIs	Rollout to 50 LGs to achieve 100% coverage of MDALGs
2	IFMS Tier 2	Offer support to 59 LGs	Switchover 30 LGs to IFMS Tier 1	Switchover 29 LGs to IFMS Tier 1 and decommission
3	AMS/ CEMAS	Rollout to 2 PUSATIs	Rollout to 7 PUSATIs	Maintain
4	Navision [Missions]	Rollout to 3 Missions to achieve 100% coverage	Maintain	Maintain
5	DMFAS	Operate for Public Debt	Maintain	Maintain
6	IPPS	Operate in all MDALGs	Decommission	
7	Bank of Uganda Banking System	Operate in all DFPs and Extra-Budgetary Agencies that are not on IFMS	Maintain	Maintain
8	Output Budgeting Tool	Decommission and Rollout PBB to MDAs	Continued rollout to Local Governments	Main and Support
9	E-registration	Achieve 100% coverage to MDAs	Maintain	Maintain
10	Service Desk - Tools	Operate separate tools for CEMAS, Navision and IFMS	Merge into one service desk tool for all the three systems	Run a one-stop solution centre for AGO
	Ongoing Implementation			
1	FAM - IFMS Tier 1	100% coverage to all existing IFMS sites as per plan	Maintain	Maintain
2	Oracle Payments	Implement onto IFMS Tier 1	Maintain	Maintain
3	E-cash	Implement for all MDAs	Rollout to DFPs	Maintain
4	GRC Tools	Implement onto IFMS Tier 1	Maintain	Maintain
5	Audit Vault and D/base Firewall	Implement onto IFMS Tier 1	Maintain	Maintain
6	PBS	Rollout to all MDALGs and interface with IFMS	Maintain interface	Maintain interface
	Planned			
1	Inventory Management	N/A	Procure system	Maintain
2	E-procurement	Award contract	Implement fully	Maintain
3	HCM	Procure System	Implement fully	Maintain

## Implementation of the Computerized Education Management and Accountability System

#### (i) Developments during the financial year

GoU took a decision to review the further rollout of the CEMAS Solution owing to the protracted delivery of critical functionalities by the Vendor and reccurring system errors. Once completed, it was anticipated that the solution would improve transparency and accountability for resources in public universities and self accounting institutions (PUSATIs). During the financial year, the pilot PUSATI's were supported to the use of the operational modules of the system and resolution of some system related logs.

Discussions were held with a local vendor to assess possibility or rolling out the locally developed system. This system has been replaced by the *Academic Information Management System*. This is also in line with the presidential policy directive on promotion of quality local products campaign, the "Buy Uganda, Build Uganda"/BUBU,

The CEMAS reform sought to address PFM weaknesses in accountability and transparency in PUSATIs raised by the Public Accounts Committee (PAC) of Parliament and the Auditor General. It was observed that given the significant resources are expended to PUSATIs; the prevailing PFM practices posed significant risks for abuse of the public resources.

### (ii) Factors that affected CEMAS implementation

As seen from the initial CEMAS implementation timelines, the reform has not progressed as anticipated. However, lessons have been learned to ensure the next deployments are much faster as the full system is now largely tested. Focus will mostly entail minimum customizations to take account of the unique policies and processes, training and support in the institutions.

Over the past 2 years, a number of modules of the procured system have been deployed in MUST and MUBS, however the implementation was delayed due to a number of challenges. These include; delayed delivery of critical system functionality by the vendor, signed off businesses processes were different from the actual practices on ground, strikes by both students and university staff and difficulties in the migration of historical student records to the new system due to data integrity issues. These issues created serious change management issues that required extra time to resolve and caused delays in signing off the pilot phase. As a result, it was

decided that further implementation of the procured system be reviewed and a new way forward agreed.

As part of the extended exercise of rationalizing ICT systems in Government, Ministry of ICT (MoICT) and NITA-U concluded the review of the Kyambogo University system and the Talisma Education Management system (CampusVue) that is being piloted in MUST and MUBS. The review established that E-Kampus is robust with functional capabilities that address the scope of the CEMAS framework as was envisaged in the user requirements.

Following consultations with MoES, NITAU and technical guidance from MoICT it was agreed that the Talisma Education Management system (CampusVue) be replaced with the "Academic Information Management System (AIMS)" which is an enhanced version of the E-Kampus system operating at Kyambogo University. This decision was taken in line with the Government's strategy to rationalize and integrate ICT systems to minimize duplicate investments in ICT systems and reduce recurrent maintenance costs. This action will also support the growth of the local ICT capacity and industry in line with the Government Buy Uganda Build Uganda (BUBU) policy.

In line with the above decision, MoFPED and MolCT has communicated to all Public Universities giving guidance on the way forward. MolCT will lead the implementation the locally developed Academic Information Management System (AIMS) in close coordination with MoES, MoFPED, the Public Universities and other key stakeholders. In order to actualize this project, MolCT has commenced setup of governance structures and project management modalities to support the implementation of the AIMS system in PUSATIs.

#### **CEMAS Implementation - Lessons Learnt**

The key lessons learnt from the CEMAS pilot phase at MUST and MUBS relevant to the implementation of system in PUSATI in Uganda are summarized below;

- a) Wide and extensive stakeholder consultation with university staff, students and service providers is key is delivering a system that meets user requirements and expectations.
- b) All PUSATI business processes to be automated must documented and signed off by senior management after wide consultations.
- c) Review and validation of student historical records is tedious exercise that requires dedication,

- attention to detail and adequate time. It is therefore important for PUSATIs to get staff in the Academic Registrar's office to start early the exercise of reviewing, validating and signing off historical student academic and financial records.
- d) The system should be designed and configured with exception handling mechanisms to accommodate policy changes and operational issues within PUSATI environment in Uganda. Next steps "Academic Information Management System (AIMS)"

Following consultations with the MoES, NITAU and technical guidance from MoICT, it was agreed that the Talisma Education Management system (Campus Vue) be replaced with the "Academic Information Management System (AIMS)" which is an enhanced version of the E-Kampus system operating at Kyambogo University. A systems review established that e-Kampus is a robust Education Management system with functional capabilities that address the scope of the CEMAS framework as was envisaged in the user requirements. The review also found out that the e-Kampus is scalable, secure and meets the minimum business process requirements for Public Universities in Uganda and there is commitment to establish adequate institutional structures to support its implementation in other institutions.

The milestones so far achieved in the pilot sites of MUST and MUBS under the CEMAS project such as the setup of critical ICT infrastructure, clear definition and streamlining of university policies and business processes, training, cleaned legacy student academic records and change management will be leveraged to successfully implement the Academic Information Management System (AIMS) in Public Universities and Self Accounting Tertiary Institutions (PUSATIs) in a shorter time. In making this recommendation, MoICT also considered the following;

- The system meets the functional requirements of a CEMAS as envisaged.
- ii) The system is easily customizable to address unique requirements of each PUSATI.
- iii) The system is scalable and would adequately onboard all PUSATIs.
- iv) System security is also satisfactory to the risk profile of the information it processes.
- v) It would be cheaper to rollout to other Public Universities since it relies entirely on local

- personnel.
- vi) Availability of a pool of local experts to sustainably manage and support the system.
- vii) It facilitates creation of employment for young ICT professionals.
- viii) Encourages innovation and research and positions Uganda as a key player in the design and implementation of IT solution in the education sector within the region and the continent.

## **PFM Policy Support**

The component has continued to engage in sensitization of stakeholders on PFM Regulations 2016 for CG & LG. Over 5000 copies.

**Treasury Instructions:** The Component supported development of Treasury Instructions in line with the new PFM Act 2015. This was completed and preparations for printing and dissemination are due for the next financial year 2017/18. The instructions provide an explicit description of the specific function and procedures to be followed in administering the financial control mechanisms of GoU – stipulating functional relationships and responsibilities for control and reporting under the new Act.

## 2.3.2 Improved Cash Management

As part of the effort to improved cash management in Government, the implementation of the first phase of the Treasury Single Account (TSA) framework was launched in October 2013. IFMS is a pre-requisite for TSA implementation and by implication; all the 102 IFMS LGs are on TSA. Payroll processing is also decentralized to respective LGs Accounting Officers and is handled on IFMS.

## 2.3.4 Institutionally strengthen the Public Procurement Function

#### Amendment of the PPDA Law

The component progressed efforts to strengthen the public policy procurement framework. The National Public Procurement Policy was discussed by Cabinet and its final issuance is pending approval of amendments to the PPDA law. By close of the financial year, the National Public Sector Public Procurement Policy had been submitted to Cabinet. This comes on the back of cabinet resolution in August 2016 to amend

all legal frameworks that hindered service delivery – the amended PPDA Act of 2003 inclusive. Subsequently, all MDAs were advised to study their existing legal framework and ensure that they are aligned towards attaining the Presidential Strategic Guidelines on improving public procurement. The broad objective of the amendment is to re–examine the PPDA Act, 2003 amended, with a goal of improving its effectiveness in delivering public value.

The proposed areas of review include:

- (a) Statutory Timelines: Proposal to cap leading time on procurement process to a maximum of 90 working days from the current average of 160 (Excluding the Administrative and Complaints handling period. This will require reducing Bidding periods, NOBEB's.et). In addition, there are proposals to cap the Administrative Review timeframe to 90 Days for both the Tribunal and Court.
- (b) Reduction of bureaucracies: The proposals include reduction in the number of players in the process through reduction issues requiring the interface with contracts committees such as issues relating to the boards of survey.
- (c) Enhancement of Value-for-Money (VFM):
  The proposals revolve around introduction of new Value adding procurement processes such as Market analysis and other incorporation of a provision to accommodate electronic communication among others. Critically, the review includes proposals to strengthen guidelines on collaborative procurement and introduction of whole Life cycle Costing in the Evaluation of Goods and Works
- (d) **Compliance:** The amendments include proposals to strengthen sanctions within the legal framework for Accounting Officers.
- (e) Simplification of processes: This includes proposal for reducing the cost of doing business and removal of operational issues from the Act and transfer to Regulations.

Some of the proposed Sections/areas include:

- Complex and Strategic Procurements
- Competitive Dialogue as a Sourcing method

- Unsolicited Bids
- Abnormally low bids
- Export Agency Credit and Contract Financing Options
- Exceptions to the Act. Entities that annually generate over 80 per cent of their revenue on a commercial basis in a competitive environment, however will comply with the National Pub;ic Sector Procurement Policy to the extent practical. E.g. NHCC, NSSF, etc.

The process of amendment has engaged broad consultation with various stakeholders including: PPDA, Accounting Officers in Central and Local Governments, UNRA, AfDB, Development Partners, Heads of Procurement and Disposal Units (PDUs), UNABSEC (Uganda National Association of Building and Civil Engineers).

Going forward, there is need to expedite the approval and implementation of the National Public Sector Procurement if the country is to attain the required levels of efficiency and effectiveness of public sector procurement. This is a key risk highlighted in the programme risk strategy relating the political–economic environment for fast tracking the requisite policy reforms. Having submitted to cabinet for consideration, the next steps involve (a) submission and drafting of the ammended Bill by the First Parliamentary Counsel (b) submission and discussion of the ammended bill by Parliament, and finally approval by Parliament.

#### Spend Analysis of GoU Public Procurement Function

FINMAP supported a consultancy to undertake a spend analysis of the PDEs. The purpose of the initiative is to enable government to establish its spending patterns towards enhanced value and efficiencies through creation of opportunities and spend savings. The outcomes of the consultancy is accurate strategic information for development of strategic sourcing options, volume aggregation and procurement leverage, management of supplier performance and continuity of service, contract compliance and risk management, inventory management and development of an e-procurement policy and strategy for Government.

The detailed recommendations from the analysis is detailed in the spend analysis report. Among other issues, the analysis identified the following:

#### Report Extract

- (a) A significant effort is spent managing a very small portion of the entity's spend: This increases transaction costs and time spent processing. When frequent transactions are being made for a relatively small amount of spend, opportunities for process automation are created.
- (b) Fragmented Low value purchases: These are often a symptom of unplanned procurements and can take a number of forms. It can mean making a one-off or several low value purchases from a non contracted supplier. It can also mean issuing a number of low-value purchase orders to a contracted supplier, rather than sending a single purchase order. Nonetheless, this is not the most efficient and effective way to handle procurement transactions.
- (c) Payment of a larger number of low-value invoices: This may represent a significant administrative cost to an Entity. An Entity can benefit from reducing the volume of invoice processing they do - and they can do this by reducing the number of micro procurement and RFQs. This can also be achieved by reducing the number of invoices from regular suppliers. Establishing a regular invoicing cycle with suppliers.
- (d) An opportunity for standard categorisation of procurement spend be explored so that even if the account charged is different (for purposes of payment), the actual product acquired/bought is well described or coded in accordance with procurement.
- (e) The key insight from this analysis was that the Entity spend is relatively concentrated to a few suppliers. Establishment of Strategic relationships with the intention of improving supply terms is possible, besides rationalizing of the very many small suppliers. Need to explore the opportunity for cooperating with other Entities in procurement of items such as vehicles.

#### Source: Spend Analysis Report, MoFPED 2017

**Next Steps**: The sampled scope targeted head quarters of big spending PDEs focused on UNRA, Office of the Prime Minister, Ministry of Education, Ministry of Water and Mulago referral Hospital. However, it emerged that a large part of the budget is decentralized in the above sampled entities. It therefore necessitates lower level analysis with a sampling for instance at school level (in the case of MoES).

GoU therefore took a decision to extend the spend analysis to cover additional votes to get a more representative government spend sample and build GoU capacity to undertake similar analysis. This extended study has been planned for FY2017/18.

# Payroll, Pension and Human Resources Management

## 2.4 Payroll, Pension and Human Resources Management

The specific reform objective of the component is to improve the timeliness, quality and accuracy of the GoU payroll and pensions payment processing. The main focus of the reform initiatives in this regard has been GoUs sustained efforts in establishment of payroll and pension control. The results achieved during the fiscal year are highlighted below:

## 2.4.1 Timely and Accurate GoU Payroll, Pensions Processing and Payments

Final results were yet to be availed. During financial year 2016/17, Government continued to register increased accuracy of both payroll and pension payment processed on the IPPS. Initiatives on payroll cleanup and IPPS reforms contributed to the continued accuracy in processing of the payroll. In addition, the salaries of all public servants across all MDAs and LGs were released on time1 in each of the 12 months of the year. However, the target of zero variance in the wage value processed in IFMS vi sa vie IPPS remained elusive. This was the expected target by the 2nd year of FINMAP implementation. This is partly the motivation towards integration of payroll and pension processing systems.

A comparison of the PEFA outcomes indicated an overall improvement in the effectiveness of payroll controls from D+ (PEFA 2012) to B (PEFA 2016). This was on recognition of reforms in IPPS, payroll audits and biometric data. Further improvements necessitating automatic transfer between IFMS –IPPS are anticipated from the planned integration with IFMS using the human capital management module starting next financial year.

#### Cleanup of Governments Active Payroll

During FY2016/17, Government advanced efforts in clean up the public service payroll as part of efforts to improve the reliability of the payroll. The component conducted

biometrics validation of additional 14.761 Public Officers whose records were authenticated against the National ID Database. A total of 2,477 recordsthat did not match were forwarded to the inspectorate of government for investigation. Notably, the verification exercise led to efficiency gains in form of savings worth UGX 24.6 billion arising deletions from the payroll of public officers who failed to show up to validate their records and those with irreconcilable name variances. All these efforts follow Government's decision to introduce biometric based verification system in line with the recommendations of the Auditor General to improve the credibility of the payroll. The component is working in liaison with the national information technology authority (NITAU) to procure the Human Capital Management (HCM) system. Once fully operational, this will help mitigate the risks of identity fraud and maintain accurate payroll data. Contracts Committee approved the procurement and currently finalizing the contracting process.

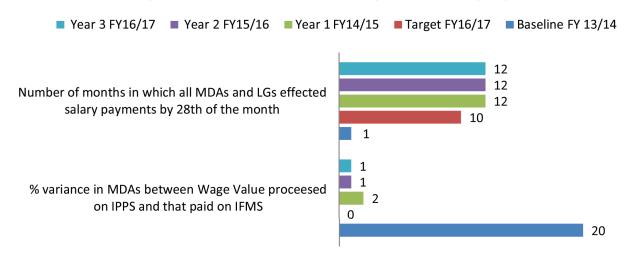
## Decentralization of the GoU Payroll and Pension Management

FINMAP continued to support Governments policy to decentralise the payroll. This is part of strategy to hold accounting officers at both central and local governments responsible for the management of their respective payroll and ultimately engender budgetary control. Following on from the policy shift, the prime approach has been to increase and support access to the IPPS for all MDALGs across government coupled with continued clean up of the pay roll.

The component conducted quarterly payroll and pension technical and functional support to the IPPS regional Support Centres as well as in-depth training of 60 local governments including regional referral hospitals on decentralised pension processing. Full decentralization was successfully piloted in the Ministry of Defence and Veteran Affairs.

<sup>&</sup>lt;sup>1</sup>Salaries are to be paid by the 28<sup>th</sup> day of the month.

Figure 10: Timeliness and Accucracy in Proccessing Payroll



Source: IPPS/AGO Records 2017

During FY16/17, MoPS rolled out the IPPS to additional 28 votes, making a total cumulative of 147 votes that DIRECTLY process their respective pension and payroll onsite. Whereas the target of having all votes actively accessing the IPPS was achieved last financial year, 88 were doing so through the Regional Centres initiative. The ideal plan is to have all processing on site.

As part of this interim measure, one additional Regional Centre at Moroto has been setup and is now fully operational to serve the Karamoja sub-region bringing the number to eleven (11). The first ten (10)<sup>2</sup> continued to receive quarterly support from the centre through FINMAP. The additional regional centre is one, beyond the original plan, aimed at easing access to the payroll to the far flung north-eastern districts. Table 3.3 provides information on regional support centres and sites served by each centre.

Key among the plans of the component was to ease local government's access to the pension and payroll data, previously in hard copy at MoPS.

Pension and gratuity files amounting to 109,000 were scanned, indexed and uploaded on Electronic Data Management system (EDMS) and thereafter decentralised to the respective MDALGs at the last point of pensioner's service. In addition, a total of 235 MDALGs were trained on access and usage of the EDMS.

Arising from the recent PEFA 2016, one of key challenges in the reform arising from the fact that not all processes have been fully decentralized and that some of the responsibility is not clear whether it falls to MOPS or the individual votes, despite guidelines outlined in the IPPS. However, the assessment acknowledged that the benefits and intentions of the payroll decentralization in enhancement of local (vote) ownership of the payroll and the resultant increase in accountability, which also has the added control advantage of reducing the likelihood of fraud.

 $<sup>^2\,</sup>$  Regional centres were already operational – eight (8) in FY2014/15 and the two centres in Mbarara and Mbale in FY2015/16.

TABLE 3.3 SCHEDULE OF REGIONAL SUPPORT CENTERS AND SITES SERVED BY EACH CENTER

CENTE	R	SUPPORTED SITES
1	Moroto	Karamoja sub-region
2	Gulu	Amuru, Nwoya, Nebbi, Agago, Kole, Otuke, Amolatar, Alebtong, Gulu Rrh, Gulu University, Abim, Lamwo, Oyam
3	Arua	Arua, Arua Mc, Maracha, Koboko, Yumbe, Moyo, Adjumani,Zombo,Nebbi, Muni University
4	Hoima	Kibaale, Kyegegwa, Kabarole, Ntoroko, Kyankwanzi, Hoima, Hoima Rrh, Kyankwanzi, Kiboga, Buliisa, Kamwenge, Kiryandongo
5	Soroti	Amuria, Katakwi, Serere, Kaberamaido, Dokolo, Amolatar, Buyende, Kibuku, Kumi, Bukedea, Amudat, Kapchorwa, Bukwo, Bulambuli
6	Mbale	Budaka, Bududa, Busia Mc, Busitema University, Butaleja, Kaabong, Kibuku, Kotido, Kween, Manafwa, Moroto, Nakapiripiriti, Ngora, Napak, Sironko
7	Jinja	Kamuli, Kayunga, Kaliro, Mayuge, Namayingo, Luuka, Jinja Mc, Butaleja, Namutumba, Budaka, Sironko, Jinja Rrh, Iganga Mc, Busia Mc, Tororo Mc
8	Masaka	Kalungu, Lwengo, Bukomansimbi, Gomba, Masaka Mc, Sembabule, Kalangala, Masaka Rrh,Rakai
9	Bushenyi	Buhweju, Sheema, Mitooma, Rubiriizi, Kasese, Ishaka-Bushenyi Mc, Kasese Mc
10	Mbarara	Mbarara University Of Science And Technology, Lyantonde, Ntungamo Mc, Rukungiri Mc, Ibanda, Isingiro, Kamwenge, Kanungu, Kiruhura
11	Kampala	Mubs, Mityana, Buikwe, Butambala, Buvuma, Any Other Of The Above Votes Where Network Speeds Are Too Slow

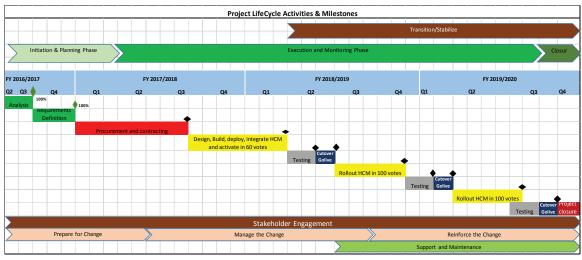
Source: MoPS, 2017

### Preliminary preparation for IPPS-IFMS Integration

Plans for fully fledged IPPS-IFMS integration were kicked off for FY17/18 through implementation and operation of Human Capital Management module. MoPS will run the new system alongside the existing IPPS to avoid disruption in service delivery. The system will be rolled out in 60 Pilot<sup>3</sup> sites in FY2017/2018. By the close of the financial, the MoPS had commenced procurement of a consultant to deploy the HCM across all Government MDA/LGs and ensure integration to key existing systems such as IFMS, National Security Information Systems (NSIS) and PBS.

In keeping with the consultative approach adopted for the system, a joint workshop for key stakeholders on IPPS-IFMS integration was conducted (November 2016). A draft roadmap for the integration was developed and is still undergoing a consultative process. Also, preliminary consultations disclosed that the vendor costs the licence per GoU employee record being processed.

Notably, pensioners census was undertaken and data matched against national I.D. The attendant data analysis will continue in the new financial year.



Source: MoPS, IPPS Project Office 2017

<sup>&</sup>lt;sup>3</sup> Criteria for selecting the 60 sites: Project ownership and accountability, early adopters facilitated by good relations and responsiveness, complex /unique requirements; technological and technical readiness with infrastructure and IPPS on site, Diversity- a representation of different types of votes (MDA/LGs), different regions, existence of regional centers

# Public Procurement

### 2.5. Public Procurement

The specific reform objective of this component is to improve compliance of all central and LG entities with the public procurement legal and regulatory framework.

# 2.5.1 Improved Compliance with Public Procurement Legal and Regulatory Frameworks

The results during this financial year on compliance were mixed. The performance of the Entities indicated 76.7 per cent were rated satisfactory from the audit while 95.1 per cent4 of the contracts were rated satisfactory by value. This represents a slight reduction from last financial year as seen in figure 11.

Furthermore, results from the PPDA audit revealed that upon contract completion, 75.6 per cent of the audited contracts were awarded within the contractual prices while in 24.4 per cent, there was a variance between the contract award prices and the final costs. This could result into budget overruns and creation of domestic arrears. The average performance indicator was 59 per cent which was unsatisfactory albeit it representing an improvement from 49.6 per cent last financial year.

### **Revised Audit Methodology**

As part of efforts to strengthening the public procurement audit function, GoU with support from WB revised the procurement audit manual and audit tools to align them with the PPDA strategic plan 2014/15 – 2018/19. As such, the FY16/17 report was prepared based on the findings of the revised audit tools.

The revised procurement audit manual emphasizes rating of Entities based on performance of the compliance with the provisions of the PPDA Act, Regulations and

<sup>4</sup> Of the 3,192 sampled procurements, "satisfactory" relates to a combination of "highly satisfactory" and "satisfactory" ratings. I.e. (43.36%) were highly satisfactory by value, (51.82%) were satisfactory by value; and (4.37%) were unsatisfactory by value UGX 5,851,953,225 (0.45%) were highly unsatisfactory by value.

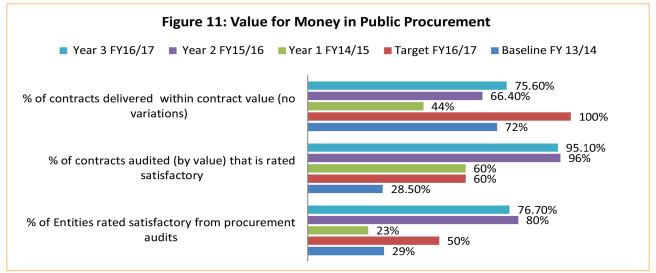
Guidelines in three categories: regarding (a) procurement system, (b) procurement process and (c) the disposal function. Performance indicators on efficiency, efficacy, effectiveness, competition and procurement plan implementation analysis were also adopted and monitored.

Procurement system compliance for all the assessed 116 entities rated satisfactory was 73 per cent. The overall compliance level for the **procurement processes** rated satisfactory was 76.9 per cent. The overall **disposal compliance** score was 66 per cent which was Satisfactory.

The underlying factors that hindered the entities to achieve 100% score in the procurement system compliance analysis:

- (a) Poor procurement planning which led to failure to deliver 67.3% of sampled procurements within the planned timelines;
- (b) Failure to conduct proper market price assessment which led to awarding 24.4% of the sampled contracts outside the initial cost estimates;
- (c) Low procurement budget absorption whereby 29.3% of the procurement budget was not absorbed by the entities;
- (d) Low bidder participation evidenced by receipt of less than 3 bids in 51% of the sampled procurements; and
- **(e)** Delays at the various stages of the procurement cycle.

It also worth noting that the best performing local government entity was Mbale Municipal Council with an overall score of 88 per cent performance rated satisfactory. Buvuma District was the worst performing entity.



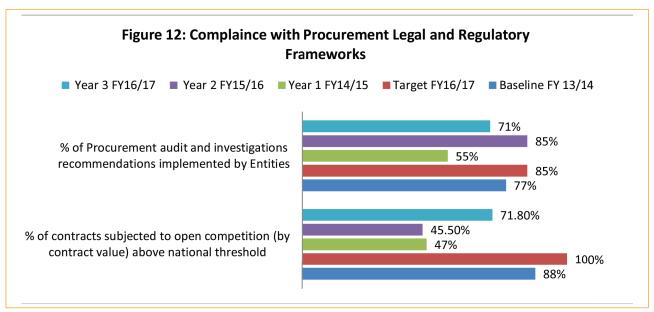
Source: PPDA, 2017

### Competitiveness of Public Procurement

In the FY under review, 71.8 per cent of the total value of contracts went through were procured by open bidding – an improvement compared to FY 15/16 (45.5 percent by value) This significant improvement in performance was on account of several high value infrastructure projects that were procured by open bidding procedures. This was the case even where competition was restricted by financiers such as the EXIM bank of China, unlike in previous years. Agencies like UNRA applied open bidding methods for procurements despite the fact that

competition was limited to Chinese firms. This was a departure from previous years when such procurements were procured using direct procurement or restricted bidding.

However, in terms of numbers, whereas the value of procurements that go through open bidding is significantly high, they are fewer in number. The proportion of contracts that was subjected to open competition was only 4.42 per cent. These are lower in value but high in frequency. Repetitively procured items account for the bigger number of procurements. This should be tracked.



Source: PPDA, 2017

### Implementation of procurement recommendations

During the financial year, the proportion of procurement recommendation implemented during the year was 71 per cent<sup>5</sup>. This represents a massive improvement in comparison to 55 per cent last in Fy15/16. This improvement is on account of sustained collaboration with line actors particularly the OAG, IAG, the Inspectorate of Government, MoLG and the MoFPED to fast track implementation of recommendations.

# Review of the Local Government Procurement Regulations

The programme is supporting the review of public procurement regulations as well as standards bidding documents and related user guides. The policy review proposed amendments to the LG Regulations to align them with the amended PPDA Act and by close of the financial year had been shared with the first parliamentary council.

Below is a brief on the roadmap for the amendments to the PPDA Act, 2003, an outline of the proposed amendments and the effect of the amendments on the Local Government PPDA Regulations.

# A. STATUS OF ROADMAP FOR AMENDMENTS TO THE PPDA ACT, 2003:

- (i) The amendments are scheduled to be completed by December 2017.
- (ii) Currently, the proposed amendments were submitted to the Minister of Finance Planning and Economic Development for approval by Cabinet. According to the roadmap, this activity was supposed to have been completed by July 2017 and therefore it is running behind schedule.
- (iii) After approval by Cabinet, the other scheduled activities are as follows:
  - (a) Submission to First Parliamentary Counsel (FPC) and drafting of the Bill by FPC (August to October 2017)
  - (b) Submission and discussion of the Bill by Parliament (October to December 2017)
  - (c) Approval of the Bill by Parliament (December 2017)

# B. OUTLINE OF THE PROPOSED AMENDMENTS TO THE PPDA ACT, 2003:

- (i) To provide that the staff of a Procuring and Disposing Entity (PDE) should have procurement knowledge and professional qualifications.
- (ii) To strengthen the sanctions for breaching of the legal framework/provisions.
- (iii) To provide for further limitation of eligibility to the Contracts Committee for members of a PDE (excluding PDU staff and internal audit staff)
- (iv) To limit the involvement of some organs of a PDE in certain procurements by providing for the Accounting Officer to perform the functions of the Contracts Committee.
- (v) To provide and cater for the operation of electronic Government Procurement
- (vi) To provide for the delegation of the assessment of market price to a competent authority as to be guided by the PS/ST MOFPED.
- (vii) To provide for a reduction in the timelines/period of the administrative review process.

### C. EFFECT OF THE PROPOSED AMENDMENTS ON THE LOCAL GOVERNMENT (PPDA) REGULATIONS:

The amendments as stated in (B) above have a profound effect on the Local Government (PPDA) Regulations because Regulation 2 (1) states that the Regulations must be read with the PPDA Act, 2003 and Regulation 3 (1) provides that the applicable Act is the PPDA Act, 2003. Therefore, the changes in the Act directly affect the Local Government (PPDA) Regulations.

Furthermore, the current amendments to the Local Government (PPDA) Regulations are mainly for the purpose bringing its provisions in line with the PPDA Act, 2003. It therefore follows that it is prudent that the amendments to the Local Government (PPDA) Regulations should be finalized after the amendments to the PPDA Act, 2003 have been concluded. Similarly, the amendments to the Local Government SBDs, User Guides and Guidelines are equally affected since they stem from the Local Government (PPDA) Regulations.

 $<sup>{}^{\</sup>overline{5}}$ The 71 per cent is an average of the recommendations implemented across the relevant categories (procurement system 73 per cent; procurement process 76.9 per cent; and Disposal recommendation 66 percent )

# Compliance monitoring, reporting and enforcement mechanism

### (i) Consultancy study of Procurement Compliance

FINMAP supported a review of the existing compliance monitoring, reporting and enforcement mechanism of public procurement government wide. Specifically, a consultancy was done to study the causes of poor compliance by Entities to the existing legal and regulatory framework for public procurement. The key findings from the report included the following:

The findings on the reasons behind the poor levels of compliance by PDEs to the existing procurement legal and regulatory framework include:

- (a) Negligence of the PDEs: The review established that some of the errors committed by PDEs while executing the procurement processes or managing the procurement function are not necessarily because of ignorance but rather negligence of the officers involved in handling the transactions. These, for instance, have included failure to report all procurement and disposal activities to PPDA on monthly or quarterly basis, inability to appropriately guide the evaluation committees during bid evaluation, failure to nominate and appoint contract supervisors/managers to manage implementation of signed contracts; among others. This has led to poor compliance levels in the entities.
- (b) Deliberate non-compliance of the PDEs to the Procurement laws: In some instances, the review observed that the non-compliance by some PDEs to the provisions of the procurement law was simply deliberate. The occurrence of this has been characterised by, among other things; total disregard of the procurement procedures; procurement decisions made without justifications (for example, in cases of Direct Procurement and/or Single Sourcing); irregularities in the bidding process characterised by changing specifications without communicating the same to all bidders; and irregularities in the bid evaluation process characterised by changing evaluation criteria to eliminate particular bidders and favour others.
- (c) Inadequate familiarity with the Procurement Laws: the study indicates that although the entities have procurement personnel that have requisite qualifications in procurement, the full grasp of Public Procurement Laws and Regulations is still inadequate. This has led to poor interpretation

- and application of the law by the procurement practitioners in the entities.
- (d) Inadequate procurement skills: Procurement Skills are still lacking among staff in PDEs. The review found out that staff in PDEs had inadequate procurement skills in certain areas such as preparation of specifications, bid evaluation and contract management. This led to delays in the procurement process due to frequent requests for clarifications from bidders that necessitate extension of bidding deadlines, irregularities in evaluation of bids and poor contract management. A combination of these has resulted into persistent levels of non-compliance to the procurement laws.
- (e) Low levels of cooperation among procurement actors within the entities: The review observed that the cooperation among the various players within the procurement process in some entities is inadequate. For instance, whereas Section 34 of the PPDA Act 2003 lays down the various functions of the User Departments, some User Departments instead want these roles to be performed by the PDU. A case in point is the requirement for preparation of procurement plans (Section 34(2)); where User Departments often push this role to be performed by PDU. In spite of the reminders, the User Departments remain aloof and this causes enormous delays in the preparation and submission of the consolidated procurement plans. In other instances, the evaluation committee members have little commitment to bid evaluation. as they pay more attention to their principal roles. This has caused delays in completion of bid evaluations.
- (f) Non functional procurement structures such as Contracts and Evaluation Committees and low level of professionalism: The review noted that Evaluation and Contracts Committees are vital structures within the Public Procurement Framework. However, in some entities, whereas the structures are existent, they are not fully functional or effective, and this has affected compliance of the entities.

The study also found out that failure to implement PPDA Audit recommendations is attributed to:

(a) Possible disagreement on the audit findings: Although, as part of the audit process, the Authority conducts debrief and/or exit sessions with PDEs, it was noted that not all audit findings are agreed

upon. In such cases, the PDE maintains that there was not any breach of the law, while the Authority also maintains its position on the audit findings. Both positions are captured in the audit report (management response), and the Authority recommendations reflected in the action plan. In such circumstances, the audit recommendations have remained unimplemented.

- (b) Transfer of officers to other entities who were meant to spearhead the implementation of the audit recommendations: The review noted that entity staffs were often transferred from one entity to another. In some cases, the recommendations made could be targeting particular individuals (for example, disciplining of the Head PDU), and when the targeted staff are transferred, the implementation of the recommendation is over taken by events. However, in other cases, the staff transferred would be spearheading the implementation of the audit recommendations thus creating gaps in follow-up.
- (c) **Complacency** of the officers knowing that PPDA had no mandate to discipline them as well as lack of commitment to the action dates in the action plans within the audit reports.
- (d) Structural fragmentation and relationships: The study further established that whereas PPDA had valuable partnerships (including being a member to the Accountability Sector Working Group, Collaboration with the Office of the Auditor General and Inspectorate of Government, CSOs, as well as other networks), there was no working relationship between PPDA, the Procurement Policy Unit in the Ministry of Finance, the Institute of Procurement Professionals of Uganda, the Practitioners and Academicians.

In order to improve the compliance levels of the procuring and disposing entities to the procurement legal and regulatory framework, the study recommends that;

- (a) The procurement law should be amended to include penalties for breach;
- **(b)** Procurement Barazas should be used as a means of not only disseminating information but also exposing procurement operations of the entities to the public;
- (c) Annual Audit reports should be publicised so that the public is informed of the PDEs' performance
- (d) PDEs should be proactive in seeking and utilising the publicly available information resources aimed in

- order to close the knowledge gaps.
- **(e)** Collaboration between PPDA, OAG, IG and the Public Service Commission should be cultivated and nurtured in order to not only share useful and usable information, but also cooperate in the disciplining, prosecution and transfer of public officers.
- (f) PPDA should re-evaluate the existing partnerships in order to assess viability of the primary objectives of having these partnerships; and establish new strategic partnerships with clear targets and objectives.

### (ii) Capacity building and procurement Monitoring

In a bid to improve procurement compliance and practices, the component undertook training and follow up of poor performing entities. A total of 1584 participants were skilled against a target of 1777 in the various training activities organised by the Authority during the period July 2016 – June 2017.

Arising from the 3rd Procurement Integrity Survey Report that was issued in 2016; the 33rd PEMCOM meeting held on 26th June 2016, PEMCOM instructed the PPDA and the MoFPED to comprise a taskforce to spearhead a response strategy that would identify constraints to performance and compliance in public procurement for proper management. The following activities have been scheduled to be implemented in FY 2017/18 where funds have been earmarked.

- (a) Issuance of guidelines on reservations to promote local content in public procurement
- (b) Holding meetings with Uganda Debt Network, UCMC to explore ways in which CSOs can support in fighting corruption in public procurement.
- (c) Conducting media training workshop to train journalists on how to report on key procurement issues.
- (d) Monitoring procurements in 15 High spend Entities drawn from the key sectors with an aim of improving the budget absorption rate and ultimately result into better procurement outcomes.
- (e) Training of Internal Auditors.
- (f) Conducting a cost-benefit study on the implementation of Independent Parallel Bid Evaluation mechanism across high spends sectors.

### (iii) OAG audit of the Public Procurement Function:

The OAG Annual Report 2016 also highlights areas for improvement in the procurement function. During

the audit year, the Auditor General revealed that 33 Local Governments audited procured items worth UGX.27.548Bn without following Public Procurement Regulations and Guidelines. Some of these lacked procurement files; some were in breach of procurement procedures; a portion of UGX.4.695Bn involving inadequate contract management and others undertaking unauthorized contract variations all of which made it difficult to gauge value for money. The shortcomings were attributed to lack of technical capacity, understaffing and deliberate flouting of PPDA regulations. There is need for the Accounting Officers to develop capacity building strategies and to engage the Ministry of Public Service to address the understaffing problem. OAG encouraged Accounting Officers are encouraged to invoke the relevant sections of the Law for noncompliance.

# The Government Procurement Portal (GPP) and E-Government Procurement System

The GPP system was rolled out to total of 67 additional entities bringing the total of Entities on the GPP to 167 Entities (48 per cent coverage). The Government Procurement Portal (GPP) eases access of bidders to bid opportunities as it creates a one stop centre where bid opportunities can be accessed.

In addition, PPDA has also continued to implement the activities that lead to the attainment of eGP. E-Procurement once fully adopted will further improve the efficiency and transparency of the procurement process. A taskforce with representatives from the Authority, NITA, and MOFPED reviewed the e-Government Procurement (e-GP) bidding document (BD) and system specifications. E-GP is expected to start in July 2018.

This system is a key intervention under the e-GP Strategy and its development, roll out and piloting is being funded as a USD5 million component under the 5-year USD75 million Regional Communications Infrastructure Programme (RCIP) World Bank loan being implemented by NITA-U. The system is expected to be rolled out to an initial 10 pilot Entities as per the timelines in the table below.

- (a) EGP Project Manager started work in May 2017.
- **(b)** Implementation of change management activities has commenced since July, 2017.
- **(c)** A contract with the system vendor is expected be signed by 31st August, 2017.

- (d) The change management expert will be on board by 30th September, 2017.
- **(e)** The contract for the procurement of the change management firm is expected to be completed by November 2017.
- **(f)** The contract for the procurement of the quality assurance firm is expected to be completed by 31st December. 2017.
- (g) Work with the vendor to finalize validation of system requirements is expected to be finalized by 31st October, 2017.
- (h) Completion of test plans to be done by 28th February, 2018.
- (i) Completion of testing and installation of system to be done by end of May, 2018.
- (j) *Go Live* is set by 1<sup>st</sup> July, 2018 and to run pilot phase of one year.
- (k) Three year support period 1st January 2020 December 31st 2022.

The key challenge under this initiative is the fact that the PPMS and GPP are presently running concurrently in Local Government and Central Government Entities respectively. The arrangement was to phase out PPMS seamlessly but due to a low MTEF provision, the roll out of the GPP has been limited to mainly Central Government Entities until the financial position of the Authority improves.

### Rollout of the E-learning System in PDEs

The component supported the establishment of the procurement e-learning platform and rolled it out to 124 PDEs. The e-learning system is an online tool developed to facilitate PPDA in executing its capacity building mandate in Public procurement and contract management. Annex 5 provides a table highlighting the number of participants enrolled on different modules in the e-Learning system. There is a total of 16 modules on the e-learning system.

Specifically, the ELearning system synchronizes PPDA training and capacity building function with the technological developments throughout the world where it is now a trend that many organizations in an attempt to reduce their training costs have developed customized eLearning materials for usage. The eLearning system was allows personalized learning where the learners take control of their own learning but under the guide of tutoring experts.

There are a total of 184 (One Hundred Eighty Four) participants who have so far enrolled/registered on the

e-learning system. The key objectives of the ELearning system include:

- (a) Reduction in-house training costs of the Authority through utilization of online customized eLearning training materials to reach various stakeholders in Uganda.
- **(b)** Integrating the already existing training materials that have been used in instructor-led trainings with online based systems of learning;
- **(c)** Develop an interactive eLearning platform for training participants from all regions in the country in the various procurement modules

### Highlight of Key Outputs (FY16/17)

Outputs	Achieved to 6/1/2016	2016-17 target	2016 -17 achieved	Cumulative total	Total target
No. of entities on the GoU Procurement Portal	100	50	167	167	
No. of PDEs using the PPMS	62	0	0	62	0
No. of procurement audits undertaken funded by FINMAP	46	20	0	46	40
% audits funded by FINMAP			0		
Number of PPDA staff supported by FIN-MAP	20		3	20	



### 2.6. Internal Oversight

The component's specific reform objective is improved timeliness and quality of internal auditing. The results under this objective are a benchmark under the results based financing arrangement for development partners.

# 2.6.1 Improved Timeliness and Quality of Internal Audit Reports, Including Follow up of Internal Audit and Audit Committee Recommendations

The Internal Auditor General's Report confirmed that the 69.2 per cent of the recommendations made in made in 2015/16 were addressed compared to FY 2015/16 (66.2%). This represents a consistently positive trend from baseline year but still below the annual target of 75 per cent.

**PEFA 2016 Result:** The assessment reviewed implementation of internal audit and reporting. This was scores B. It was acknowledged that the internal audit function and the findings and recommendations it makes are becoming increasingly accepted within GoU. The reports are also submitted to the Audit Committees, which enhances their profile. Internal audit recommendations are followed up and tracked. Accounting Officers are given four weeks within which to respond and if they do not then IAG follows up the queries prompting Accounting Officers to implement the recommendations.

# The following key reform activities were implemented during the financial year:

# Internal and External Quality Assessments of Internal Audit function in GoU undertaken

The main activities under this output include quality assurance review on Internal Audit reports to determine

the status of implementation of recommendations by Accounting Officers made in previous year's reports and validation of responses.

The newly strengthened Directorate has reviewed a total of 532 Internal Audit reports from the 140 Votes and these were consolidated into the Annual Consolidated Internal Audit report for FY 2015/16 that was issued on 29th September 2016 in accordance with the PFM Act. Outstanding issues in the above report were bought to the attention of the PS/ST who communicated to the affected Accounting Officers requesting them to respond to the issues raised in the above reports. By December 2016, the Directorate had so far received responses from 35 Votes and is in the process of validating the responses.

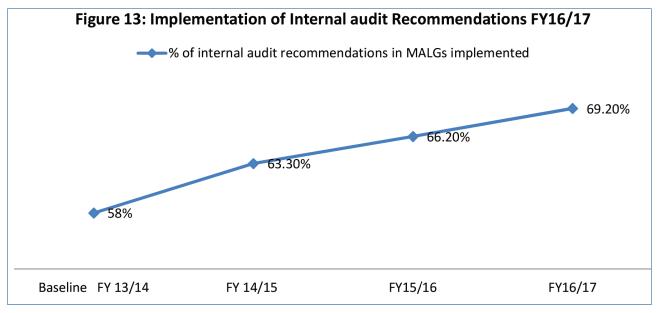
### Capacity for risk management in central government

The key focus was development of a Risk Management strategy and Forensic Audit guidelines. However the consultancy will be completed in FY17/18, having commenced the procurement process late. A robust and functional risk management framework is critical in addressing and mitigating challenges ranging from fiscal instability, budget predictability, ineffective and inefficient use of resources, fraud and project implementation failures or weaknesses among others.

### **Support to Audit Committees**

As part of the support to the eight sectoral audit committees, the component inducted 30 members of Local Government Audit Committees as well as five members of Central Government Audit Committees on 29th February 2015. The complete list of members of the audit committees is attached in annex 6.

The component is still exploring options to sustainably fund Local Government Audit Committees. In accordance with the agreed position from the Planning Workshop with development partners, no funding has been earmarked



Source: IAG Report Fy16/17

for the Audit Committees for FY 2017/18. The Programme is therefore looking forward to seeing sustainability plans for GoU mainstream support to this initiative. It is hoped that this will free up funding for the component to undertake more reform areas as per its strategic plan.

The directorate has received reports from all the 14 sectoral audit committees and some of the key issues highlighted in these reports include;

(a) Delayed responses to Internal Audit findings by Accounting Officers led to delays in submission of final reports to the Audit Committees

- **(b)** Limited funding of Internal Audit units in the various Votes which has affected the scope and coverage of audits
- (c) Understaffing of the Internal Audit function across Votes
- (d) Poor Quality of Internal Audit reports
- **(e)** Increasing scope of work for the committees (number of Votes to be handled) vis-à-vis limited funding.

**Table3.5 Sectoral Audit Committees Supported** 

Au	dit Committees	Composition	Established
1	Accountability	MoFPED, OAG and the Directorate of Ethics and Integrity.	October, 2008
2	Education	Ministry of Education, all tertiary institutions and the Education Service Commission	October 2008
3	Public Management	MoLG, MoPS, Office of the Prime Minister, and the Public Service Commission.	April 2009
4	Health	Ministry of Health, Mulago Hospital, Butabika Hospital, 11 regional referral hospitals, Health Service Commission and Uganda Blood Transfusion.	April 2009
5	Works and Infrastructure	Ministries of Works and Transport, Energy and Mineral Development and Ministry of Lands	April 2009
6	Justice, Law and Order Sector.	Ministry of Defence, Ministry of Justice, Ministry of Internal Affairs	April 2009
7	Natural Resources	Agriculture, Animal Industry and Fisheries Energy and Mineral Development	April 2010
8	International Relations	Foreign Affairs, East African Community EAC, Tourism Trade and Industry	April 2010

Source: 0AG, 2016

# Strengthening the office of the Internal Auditor General

Government continued efforts to strengthen the internal audit function as provided for by the 2015 PFM Act. Key among the components plans was to review reports, undertake Inspections to follow-up and validate of Accounting Officer's responses. During the year, the list of eligible Accounting Officers was forwarded to PS/ ST for re-appointment for FY2017/18. At the advice of the Internal Auditor General, the Permanent Secretary/ Secretary to the Treasury is empowered by the Public Finance Management Act to determine appointment of Accounting Officer basing on action on the report on the Internal Auditor General and the Auditor General. It is hoped that this will contribute to enforcement of Internal Audit recommendations by the Accounting Officers. Discussions were mooted during the year to add to this requirement the follow-up of procurement recommendations. These are still ongoing.

### 2.7. External Oversight

The specific reform objective of the component is to improve the timeliness and quality of external auditing. The results achieved during the fiscal year are highlighted in the section following. The OAG Audit year follows the Calendar year running from January to December hence cutting across two financial years after the Public Finance Management Act, 2015 came into force. Given that the next reporting period ends in December of a given year, the results here are for the Financial Year ended 30th June 2016.

The bulk of reform efforts are focused on capacity building (both technical retooling and HR) and strengthening physical and operational independence of the Office.

### 2.7.1 Timely and Quality External Audit Reporting and Follow up of Recommendations

During the year, the programme registered improvements in the proportion of external audit reports submitted to parliament within the statutory period from 69 per cent in FY15/16 by 20 percentage points (see figure).

In addition, the proportion audit reports compliant with ISSAIs increased to 61 per cent. This is partly due to the sustained effort in capacity building through facilitation of more professional accounting cadre. ISSAIs stipulate basic prerequisites for proper functioning and professional conduct of supreme audit institutions and the fundamental principles in auditing public institutions.

**PEFA 2016 Result:** Score A – The review rated audit coverage and standards of external audit. PEFA noted that there has been a steady improvement in unqualified audit opinions over the years. The Audit Office has benefitted from significant support such as the provision of purpose built premises and resident technical support in addition to training and other capacity building assistance. This includes TEAMMATE audit management software with provision to underpin audit practice and methodology modernizations although other processes around it remain manual. The Office has recently completed a new five year strategic plan which is due to be launched.

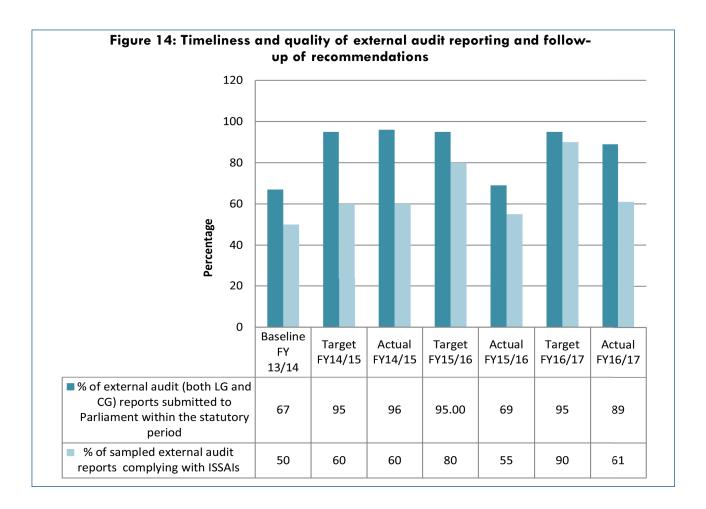
# Implementation of External Audit Recommendations

Compliance results trend from 2012 to 2016 in the PEFA assessment indicated that there is room for improvement. The assessment revealed suboptimal results in key performance indicators relating to external audit namely on the implementation of audit recommendations (28% to 25%), submission of audit reports to Parliament (67% to 69% against a target of 100%) and number of audits executed against planned (100% to 84%).

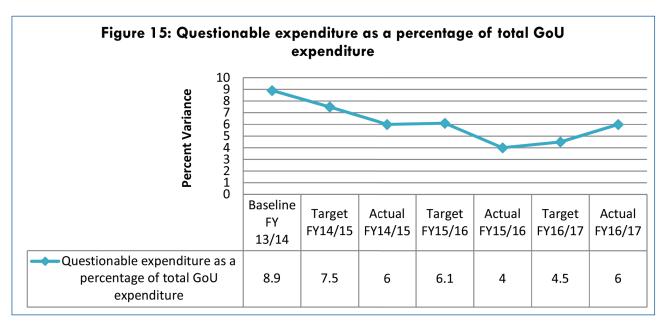
### **Technical Capacity Building for OAG**

The programme supported OAG for the acquisition of engineeering tools. This innititiative is yet to be fully utilized. The tools necceisated OAG to acquire a vehicle to mount the tools. However by close of the year, a software for the tools was in the advanced stages of procurement. This innititiatve has been protracted for two financial years now.

Furthermore, FINMAP is supporting the acquisition of the Management Information System (MIS) for the Office of the auditor General. By close of the year, a special consultancy supported by the KfW to undertake a Business Process Review was ongoing. This MIS initiative has also been protracted.



Source: 0AG, 2017



Source: 0AG, 2017

### Physical Independence of OAG:

During the period, government had sought to further strengthened external oversight through construction of the Moroto and Hoima Offices of the Auditor General. Construction and commenced and is envisaged to be completed in FY17/18. Specifically, Moroto Project commenced on 1June 2017 and is anticipated to be completed in March 2018. Hoima Project is further along having commenced on 28th Jan 2017 with gorund breaking. Hoima regional office is schdelued for completion in December 2017. This particular reform objective is being supported with earmarked funding from KfW (Germany development cooperation). Plans fir FY17/18 include contruction of Arua Regional OAG Office.

This was rated A from the PEFA. The Assesstemnt noted that The Auditor General operates independently from the executive with respect to procedures for appointment and removal of the AG, the planning of audit engagements, arrangements for publicizing reports, and the approval and execution of the OAGs budget. This independence is assured by law.

However, External audit follow up scored poorly at D. There has been no completed scrutiny of audit reports for the last 3 FYs.

Critical to FY17/18 plans next year is the audit of the OAG by Parliament. This will be closely monitored and detailed progress will be furnished in subsequent reporting periods.

### HOIMA OAG Regional Offices (FY16/17)



STATUS: Artistic Impression of Hoima Regional Offices. Ground Breaking on 28th Jan 2017

### MOROTO OAG Regional Offices (FY16/17)



STATUS: Artistic Impression of Moroto Regional Offices. Ground Breaking on 1 July 2017

### **OAG Head Quarters**



STATUS: Commissioned 20th November 2014

### **MBARARA OAG Regional Offices**



STATUS: Commissioned on 23rd March 2015

### Continuous Professional Development

During the audit year 2016, with support from FINMAP III, staff undertook professional courses in ACCA, CPAU, CISA and CFE. At the time of reporting, thirteen (13) staff had completed (ACCA – 8, CPAU–5,), while twenty three (23) staff were continuing students. The number of professionally qualified staff in the office has since FY 2015/16 increased at an average rate of 9 according to the OAG Annual Report 2016. To date, 29 percent of the OAG staff are qualified accountants.

Table 3.7: Number of Professional Accountants in OAG

Audit Year	Number at the beginning of the year	Number at end of year
2014	106	116
2015	116	121
2016	121	134

**OAG Annual Report 2016** 

### 2.8. Legislative Oversight

The specific reform objective of the component is to ensure the timely and quality analysis by committees of Parliament of budget and accountability submissions by the Executive. The reforms were implemented through various forms of support in the following PFM committees: the Budget Committee; Committee on National Economy; Public Accounts Committee (PAC); Local Government Accounts Committee (LGPAC); the Committee on Commissions, Statutory Authorities and state Enterprises (COSASE), and, the Committee of Finance, Planning and Economic Development.

The results achieved during the fiscal year are highlighted below:-

# 2.8.1 Improved Legislative Scrutiny of the Budget and Audit Reports

The Programme aims to enhance the capacity of Parliamentary Committees in execution of their oversight function.

# Update on committee performance (Clearing Backlog)

The bulk of Parliamentary oversight function is through committees – key among which is the mandate to examine the reports of the Auditor General on all the sectors and make recommendations to the executive.

Accountability committees have registered a lot of improvement in processing the reports of the auditor general especially following the adoption of efficient strategies and to sustained capacity building efforts such as the support to the institution of parliamentary studies (such as capacity needs assessment, development of modules, micro-website and in-house trainings). The

Rules of Procedure of the 10<sup>th</sup> Parliament provide for the house to consider the auditor general's report where a committees delays to dispose it within the 6 months mandated period. The reports of the previous years will be handled concurrently.

Notably, for the very first time, a whole report of the auditor general was considered by parliament. The LGPAC adopted the Report of the Standing Committee on Local Government Accounts on the Auditor General's report on Local Governments for Financial Year 2014/2015 – major stride recorded towards reduction of backlog.

The Ministry of Finance Planning and Economic Development was able to issue treasury memorandums on 04<sup>th</sup> April, 2017, covering 7 (seven) reports for which 5 of them belonged to the Public Accounts Committee and 2 to the Committee on Statutory Authorities and State Enterprises (See table 3.8)

### Parliamentary Information Management System

As part of efficiency measures to improve operation of parliamentary business, the programme set out to digitise the related processes. The programme facilitated the set-up of the Parliamentary Information Management System including the setup of the software and requisite hardware as well as development of a micro-website for IPS program for easy and continuous access through e-learning and knowledge management for members of parliament and other stakeholders. The MIS and website is now operational and full content continues to be uploaded.

A key challenge cited by the component and that would represent "next steps" is that the system for tracking responses to and implementation of the audit recommendations was still manual and necessitated automation as well. In addition, the high turn-over of Members of Parliament after general elections necessitate continuous capacity building.

Table 3.8: Status of Treasury Memorandum in the 10th Parliament

JUNE 30 <sup>TH</sup>	PAC REPORT	Date Of Tabling	Date Of Adoption	Date Treasury Memorandum Issued
2011/12	Report of the Public Accounts Committee on entities with Disclaimer of Opinion		14/07/15	04/04/2017
2012/13	Report of the Auditor General on the financial statement for the year ended 30th June 2013 entities with disclaim- er of opinion (Ministry of Justice and Constitutional Affairs, Nyabyeya Forest College, Mubende Referral Hospital and Uganda Mission in New Delhi, India	02/04/15	14/07/15	04/04/2017
2012/13	Report of the Public Accounts Committee on the Report of the Auditor General on the Financial Statements for the year ended 30th June 2013 Volume III Central Government (Entities with a Qualified Opinion – Volume III)	06/08/15	15/03/16	04/04/2017
2012/13	Report of the Public Accounts Committee on the Report of the Auditor General on the Financial Statement for the year ended 30th June 2013 Volume II Central Government (En- tities with Qualified Opinions Volume II: Health Institutions with Qualified Opinions)	01/04/15	16/03/16	04/04/2017
2002-2012	Report of the Auditor General of the Audit findings on Nurses and Midwifery council. The Uganda medical and Dental practitioners Council and Allied Professional Council for the years 2002-2012.	2/11/15		04/04/2017
Reports on Sta	tutory Corporations (COSASE COMMITTEE)			
	Report on the Auditor General's report on the financial performance of Uganda Development Bank for the period 2002-2010	12/10/11	07/11/13	04/04/2017
	Report of the Committee on COSASE on the performance and Audited Accounts of the Public Enterprises for the financial year ended 2011, 2012 & 2013.	03/03/16	15/03/16	04/04/2017

Source: Government Annual Performance Report FY16/17

### **Lessons Learned**

Parliament has put in place a number of initiatives to improve efficiency in considering OAG report. These include:

- (a) Using sub-committees. This has seen a number of committee divided up to take advantage of the ever increasing numbers of MPs. This enables a given Committee to handle multiple reports through the established subcommittees.
- (b) Revised rules of procedure to provide for the report to be considered in the house in its entirety once a committee doesn't meet the 6 months target
- (c) Concurrent consideration of reports (current and previous OAG Reports).

(d) Continues capacity building for professionalization of Parliamentary staff to support committee members in the analysis of reports

Going forward, the component has proposed the following key actions to further leverage on the gains made this year:

- (a) Designing a comprehensive strategy for following-up Parliamentary resolutions.
- (b) Capacity building for committees of Parliament.
- (c) Implement a system for tracking actions on treasury memoranda.
- (d) Post legislative scrutiny of PFM related laws.
- **(e)** Strengthen the monitoring, evaluation and reporting function of Parliament on PFM

# Public Financial Management in Local Governments

# 2.9. Public Financial Management In Local Governments

The specific reform objectives of this component include: improved revenue planning and analysis in LGs; timely and quality financial performance reporting in LGs; timely and quality internal audit reporting in LGs; timely and quality reporting by LGPACs. The results registered under this component are highlighted below:

# 2.9.1 Improved Revenue Planning and Analysis in LGs

During the year, and like last year performance on revenue planning analysis continued to register optimum results. The proportion of actual transfers to LGs in comparison to the budgeted figures was 100 percent. The results on the variance between the planned and actual outturns in revenue for LGs will be provided after issuance of the Annual 0AG Report for 2016/17 in December 2017.

### Local Revenue Enhancement

The performance of local revenue has not been impressive over the recent years despite its importance in the decentralization process. The bulk of potential revenues remain uncollected and this is mainly due to several issues including poor attitude, political interference, insufficient taxpayer data, administrative weaknesses, limited support from the Government, limited reforms, low investment in revenue sources and low tax-base.

The component reported that with concerted efforts from key stakeholders like LGFC over the last five years, there has been slight improvement in LG local revenue performance over the years to UGX177bn<sup>6</sup> in the last accessed year FY14/15. However, this is suboptimal performance contrasted against the local revenue potential of over UGX 680 billion projected by financial year 2018/19 if all the strategies and systems are put in place.

<sup>6</sup>From UGX 111 bn, UGX 117 bn, UGX 148 bn, UGX 153 bn and UGX 177 bn for FY 2010/11, FY 2011/12, FY 2012/13 and FY 2013/14 and FY 2014/15 respectively.

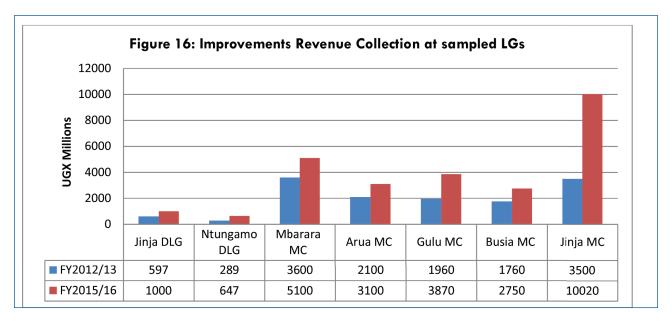
While the contribution of local revenue to LG budgets is 2.1% for rural and 8.4% for Urban LGs in FY2014/15, a better result is expected for the next period provided critical strategies are implemented.

# Roll-out of automated Local Revenue Databases in LGs

The local revenue initiative is a cost effective approach to help local governments in planning, monitoring and reviewing the local revenue performance, including creation of local revenue registers, recording of revenue payments and production of reports on revenue registration, payment and history.

For FY2016/17, the component rolled out the database to 50 local governments instead of the 30 planned. This was due to savings in pricing thus purchasing more equipment. To date, 77 percent of local governments have benefited from the initiative (93 out of 121 LGs). The remaining 28 districts and a few urban LGs will be supported in FY2017/18. As part the support, FINMAPIII has since the FY2014/15 supported LGFC to provide a laptop, a printer and hands-on training to all the revenue officers in the beneficiary districts to operationalize the database.

As a result of multiple approaches including utilization of the local revenue database, Local revenue collection has increased for many LGs. For instance as seen in figure 16, between FY2012/13 and FY2015/16, Jinja district local government improved collections from UGX 597m to UGX 1.0bn while Jinja Municipal council from UGX 3.5 bn to 10.02 bn. The municipal council particularly attributed the sharp rise to the contribution of LG database initiative. Ntungamo district local government improved from UGX 289m to UGX 647m; Mbarara MC has improved from UGX 3.6bn to UGX 5.1bn; Arua MC from UGX 2.1bn to UGX 3.1bn; Gulu MC from UGX 1.96bn to UGX 3.87bn; Busia MC from UGX 1.76bn to UGX 2.75bn; just to mention few.



Source: LGFC, 2017

# Recommendations to scale up benefits from the Database

The component reviewed the reform and submitted recommendations and supportive initiatives to improve the uptake and sustain the benefits from the local revenue database initiative.

- (a) There is need to upgrade the database software;
- (b) Designing a policy on local revenue management. This should be prepared and implemented, to guide the public on revenue administration;
- (c) Provision of technical support on best practices including property rates, Public Private Partnerships;
- (d) Develop a mobile tax registration and payment system using mobile money platforms;
- (e) Support to valuation and update of the Property Valuation rolls. This revenue source has the biggest potential especially in Urban LGs;
- (f) Re-structure and update the functions of revenue mobilization units in local governments;
- (g) Update and follow-up including data collection and capturing it into the system;
- (h) Expand collaboration with relevant institutions, example of TREP (Taxpayer Registration Enhancement Project); and,
- (i) Implementation of the FDA study recommendations

### **Fiscal Decentralization Architecture**

The FDA and determination LG share out of national budget study was conducted between May and July 2017 and the study report is already undergoing discussion with key stakeholders. The exercise will be completed in September 2017.

In addition, the review of the criteria for grants allocation to local governments (undertaken in 2015/16) became effective in FY2016/17.

The key objectives of the reforms were to ensure the following:

- (a) To allow existing and new national policies to be financed via the transfer system, at the same time avoiding future fragmentation of transfers and increasing discretion to ensure services are delivered in line with local needs:
- **(b)** To shift the focus from fragmented input-based conditions towards accountability for allocation decisions, expenditures and results;
- (c) To use the transfer system to provide incentives to improve institutional and service delivery performance; and
- (d) To restore adequacy and equity in allocation of funds for infrastructure and service delivery.

The redesign of the FDA follows recommendations from the Review of Local Government Financing, Management and Accountability for Decentralized Services study undertaken in 2012. This was aimed at strengthening fiscal decentralization by protecting and promoting local government financing, enhancing orderliness and control in the management of intergovernmental fiscal relations, strengthening LG capacity for supervision and monitoring of service delivery and increasing discretion in local decision making.

### Review of the LG grants allocation formulae

Review of the LG grants allocation formulae was a key reform articulated in the programme implementation document. However, this was supported by the World Bank. Once complete, it is envisaged that it will improve the effectiveness; promote equity, transparency and adequacy of fiscal transfers from the central government to the local governments. The reform which was planned to be implemented in four phases will be completed in FY17/18

- Phase I completed: Interim Consolidation of Local Government Transfers - Collapsing the number of Sector Grants from 53 in FY 2013/14 to 13 in 2015/16; Interim Grant Conditions for Sectoral Transfers prepared.
- Phase II completed: Reform to Transfers for 2016/17 - Consolidating and redesigning discretionary transfers; Revising the allocation formulae and principles for grants to LGs; redesign of sector transfers and establishing budgeting requirements.
- Phase III completed Reforming frameworks for performance assessment and strengthening incentives - Strengthening mechanisms for transparent and accountable grant management; Introducing performance conditionality to lever institutional and service delivery improvements from 17/18 onwards.
- Phase IV in its final stages: The fourth and last phase - The Design of a new Fiscal Decentralization Architecture (FDA) and Determining the Share of LG Transfers out of the National Budget)

# 2.9.2 Improved Timeliness and Quality Financial Performance Reporting in LGs

During the year, the programme set out to consolidate on gains registered under this reform objective from FY14/15. The final results for Fy16/17 are awaiting the Annual OAG report in December 2017. The percentage of Higher Local Governments with unqualified audit opinions also improved to 91 percent in 2015/16 from 69.38 in 2014/15.

Government has registered great improvement in the performance of the HLGs as regards PFM. This is in part due to sustained reforms in automation of the financial management processes in the local government. Out of the 307 local governments audited in 2015/16, 263 received unqualified audit opinions (86% clean opinions), 43 received qualified (except for) audit opinion, 1 received disclaimer audit opinion and none received adverse audit opinion.

### Rollout of IFMS to Local Government

Following the rollout of the first 14 tier 1 sites in the previous financial years, a decision was taken to rollout the tier 2 solution (mid-range solution) to all the remaining local government sites. However this decision has since been rescinded and GoU resolved to rollout IFMS tier 1 to LGs and upgrade those previously on the midrange solution to full scale operation. This is following the adoption of systems integration policy review (Annex 7 has detailed status of local government IFMS implementation)

During the financial, IFMS Tier 1 was rolled out to additional 29 LGs in FY 2016/17. To date, IFMS (1 and 2) solution is implemented in 102 LGs. Out of the 102 IFMS LGs, 43 are operating under Oracle (IFMS Tier 1) and the 59 under Microsoft Dynamics NAV (IFMS Tier 2). Going forward, the new strategy ensuring that all Districts and Municipal Councils in the country by FY 19/20 are connected on the IFMS Tier 1 will be propagated.

### Development Simplified Guidelines for Budgeting, Accounting and Reporting

During the financial year, the component sought to develop simplified guidelines for local government service units including: Secondary Schools, Primary Schools, General Hospitals, Health Centre IV and Health Centre III. In addition, the component was supported to develop Guidelines in the application of the LGFAR and LGFAM. The guidelines need to be printed and disseminated.

The guidelines were printed; but will need to be disseminated through training and mentoring

# 2.9.3 Improved Timeliness and Quality of Internal Audit Reporting

There was significant progress in the proportion of local governments submitting quarterly internal audit reports on time. At the time of reporting 50 percent had achieved on time reporting. At this rate, it is anticipated to surpass the 67 percent achievement of last financial year. The proportion of departments providing timely

and quality financial reporting is expected to rise as the uptake of the IFMS continues to rise. By reporting time, the statutory deadline was still open. (See figure 16).

# Capacity of the audit function in Local Governments

The Ministry of local Governments has prioritised strengthening the capacity of the internal function at local government level. To date, there are only 15 LG internal auditors with CIA qualification with 20 auditors still pursing completion. Professionalising internal auditors would go a long way to improving the quality of internal audit, reporting as well as standards and other ethical considerations.

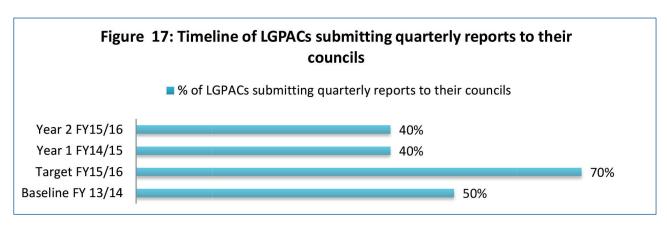
A key hindrance to the performance of the internal audit is the position of internal auditors in the local government structures. During the joint DP field visits conducted to Wakiso and Hoima Districts, it was observed that position of internal audit as a Unit rather than a Department, results in the loss of trained officials

and reduced influence in the hierarchy. The narrow structure provided narrow space for professional advancement in the line of audit as the new LG structure staffing has been restricted to 2 auditors per District.

In addition, the role of internal audit in reporting issues for reappointment of CAOs is damaging a constructive relationship. Moreover, the fact that recurrent costs for audit visits are provided from local review led to dependence on other Departments when undertaking field visits. This at times hindered the scope and coverage of internal audit work.

# 2.9.4 Improved Timeliness and Quality of Reporting by LGPACs

Awaiting final results. During the year, the proportion of LG Public Accounts Committee submitting quarterly reports to their councils declined by 10 percentage points (See figure 17).



Source: Directorate of Internal Audit, MoFPED, 2016

### Highlight of Key Outputs

Key Outputs (to be updated)	Achieved to June 2016	2016-17target	2016-17 achieved	Cumulative total	Total target
Roll out of revenue database – no. of LGs/MCs completed	43 districts	29 districts	50 districts	93 districts	112 districts
Roll of IFMS Tier 2 – no. of LGs / MCs completed	59 LGs	n/a	n/a	59	n/a
No of internal auditors in LGs trained – enrolment for CIA certi- fication (Districts, MCs & TCs)		20 LG Internal Auditors	20 LG Internal Auditors	94 LG Internal Auditors	293 LG Internal Auditors (115 Dist, 34 MCs & 144 TCs)
No of internal auditors in LGs trained – CPDs		51 LG Internal Auditors	51 LG Internal Auditors	51 LG Inter- nal Auditors	293 LG Internal Auditors

# Programme Coordination and Governance

### 2.10 Programme Coordination and Governance

This component aims at increasing efficiency in implementation of the programme through support to the components in planning, finance, procurement, monitoring, evaluation, change management, and learning. All these were geared towards driving, coordinating and facilitating the implementation of the programme action plan.

# The Public Expenditure and Financial Accountability (PEFA) Assessment 2016

The Programme Coordination Office supported the national PEFA secretariat at the Office of the Accountant General to finalise the PEFA 2016. The assessment provided a thorough, consistent and evidence-based analysis of the countries PFM systems. By reporting time, the draft PEFA report was submitted to the PEFA secretariat in Washington for quality assurance; a number of issues were raised regarding sufficient evidence to justify the scores.

Annex 3 provides a concise excerpt of key results from the PEFA 2016 contrasted against PEFA 2012 for ease of analysis.

### Coordination of the Programme Mid Term Review

Key among the components plans during the year was the commissioning a midterm review of the programmes progress of implementation. The objective of the MTR is to evaluate the FINMAP III programme for its efficiency, effectiveness and sustainability during the period July 2014 to June 2016. The review was undertaken in consultation with representatives

of some development partners including DFID, and embassies of Denmark, the EU, KfW and Norway. The assessment rated the Programme satisfactory. The main report was disseminated and validated by the key partners.

### Review of the PFM Reform Strategy

During the year, GoU decided on updating the PFM Reforms strategy and implementation framework in both Central and Local Governments covering another four years (July 2018 – June 2022). A Core Design Team was fully fledged and had embarked on a process of spearheading the design task. The Programme Coordination Office embarked on coordination and facilitation of the Design Team Secretariat. By close of the year, the first consultative conference was being organised to engage Development Partners, Key frontline stakeholders as well civil society. A strategy of early engagement and wide consultation was adopted to ensure continued crediblity and ownership of the roadmap for PFM reforms. This will flow into FY17/18.

### **External Audit**

The external audit exercise for FY 15/16 was undertaken and completed by the second quarter of the year. The Auditor General issued an unqualified opinion of the financial statements of the programme.

### **Change Management**

During the year, there were concerted efforts to facilitate the uptake of reforms across the programme as part of the sustainability strategy. This was undertaken through multiple change management

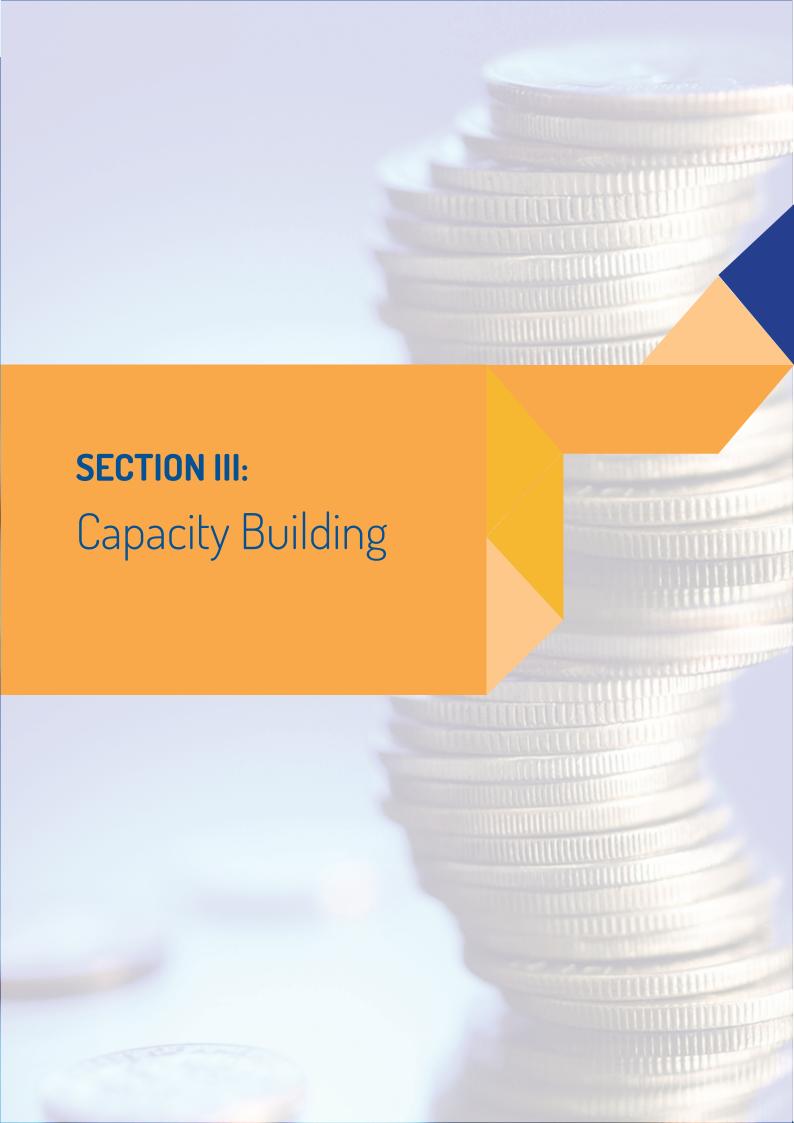
sessions and training in the various components for actors at both the coordinating and outfield level in the local governments and votes.

### **PEMCOM Coordination**

FINMAPs Coordination office ably steered the PEMCOM Secretariat to facilitate key debates and strategic discussions on implementation of the government wide PFM strategies and policies. The FINMAPIII budget for FY17/18 was approved by PEMCOM. Furthermore, the partnership with civil society was consolidated through active engagement with the civil society budget advocacy group (CSBAG) who were represented in the quarterly PEMCOM. Annex 10 Provides status of PEMCOM High level Priority Matrix.

### **Risk Management and Monitoring**

As part the end year activities, the programme coordination office embarked on a comprehensive risk assessment of the programme so as to implement the risk register as set out in the programme implementation document. The relative significance of the identified risks is being assessed to enable risk response planning and prioritisation for further attention during FY16/17. The updated programme registers should be completed in 2016.



The programme supported a number of capacity building efforts for individual staff aimed at consolidating the sustainability of Government of Uganda's PFM reforms. This took the form of short training courses, study tours and conferences as well as attachments with government entities abroad as shown in the summary table below.

Table12: International Training and Conferences Sponsored in FY 2016/17

S/N	Beneficiary	TRAINING COURSE/ CON- FERENCE	INSTITUTION	COUNTRY
Accou	ntant General's Office	'		
	Arthur Mugweri	Cisco Live event	Cisco Systems,	Berlin, Germany
	Ronald Busulwa		Corporation	
	Scarlet Kabahuma			
	Fredrick Okwangale	Cisco Live event	Cisco Systems, Corpora-	Las Vegas, Nevada
	Dancun Kagulu		tion	
	Dorothy Binkiya			
	Helena Mpangana			
	Fredrick Okwangale			
	Lawrence Semakula	East & Southern African	ESAAG	Boksburg, South Africa
	Acen Lucy Vivian	Association of Accountants		
	Stephen Ojiambo	(ESAAG) Conference		
	Jenniffer Muhuruzi			
	Mubarak Nasamba			
	Aziz Ssettaala			
	Deo Lutaaya			
	Barbara Nakintu			
	Augustuine Kalule			
	Libert Baluku			
	Tonny Kikomeko			
	Derrick Nkajja			
	Cornelia Sabiiti			
	Keto Nyapendi Kayemba			
	Lawrence Semakula	International Consortium		Miami, Florida, USA
	Stephen Ojiambo	on Governmental Financial		
	Paul Ankunda	Management (ICGFM) Con- ference		
	James Wokadala			
	Daniel Lubowa	Install/patch/maintain Ora-	Oracle University	CA in Belmont, USA
	Vivienne Kigozi	cle E-Business Suite		
	Paulo T. Kyama	Change Management Certi-		Johannesburg, South
	Lucy Acen Vivian	fication		Africa
	Barbara Nakintu			
Debt	and Cash management			
	Ferd Twesiime	AMP Technical Missio		Nairobi, Kenya
	Ferd Tumwebaze			
	Mariam Kiggundu			
	Collins Ishimwe			



# Risk Management

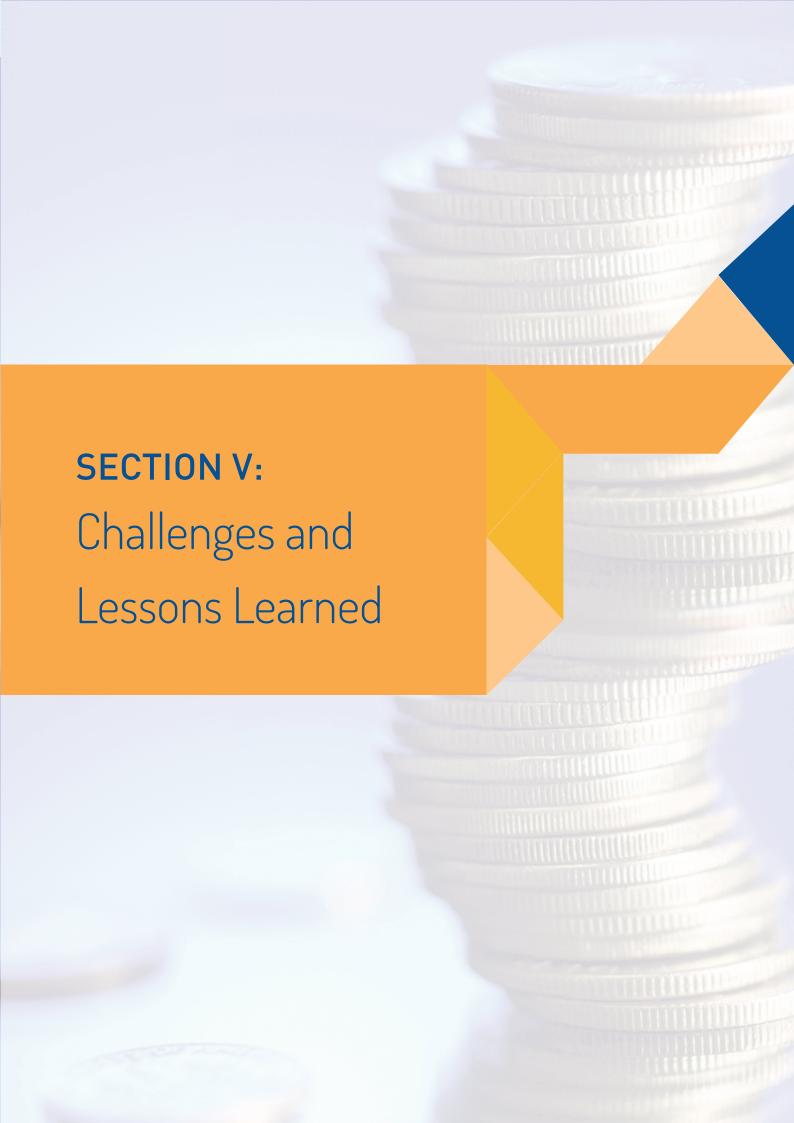
FINMAPII continued to adopt a comprehensive approach to risk management through adoption of a risk management plan that ensures that the mechanisms put in place to review and monitor risks and progress on implementation of the strategy are followed. In practice, this is encapsulated and monitored through the programme risk register. This section provides an analysis of the key risks that were associated with the implementation of the programme during the year, including the sustainability of the reform activities.

Table 13: Risk Assessment and Mitigation Measures as at end of FY16/17

Key Risks	Risk Rating	Risk Mitigation Strategy	Risk Mitigation Status	Risk Owner
Programme Design and Planning  Planning strategy of the programme not adequate for identification of key PFM strategy priorities	High	Preventive measures adopted:  Introduced a planning and budget workshop before the budget circular to engage all stakeholder in strategic discussion at the start of the planning process with MoFPED senior managements and component managers  Ensured adherence to the PFM Priority Reform Matrix	Agreement required on mainstreaming recurrent costs such as systems technical support, software licenses and maintenance / replacement of equipment especially on key aspects such WAN links for IFMS and facilitation of Internal Audit Committees.	DST

Key Risks	Risk Rating	Risk Mitigation Strategy	Risk Mitigation Status	Risk Owner
Strategic Communication  Uncoordinated, individualized and mixed messages not enough to provide policy direction to key stakeholders in the PFM strategy.  This would defeats the good intentions of the basket modality.	Medium	Engage independent PFM expert to quality assure PFM priorities and provide liaison on PFM issues between basket partners	Engaged a PFM expert/consultant to advise and support mutual coordination between DPs and MoFPED.  The expert will front DPs PFM agenda and strengthen strategic communication between Task Manager, MSU and DPs at all the various foras of policy, programming and planning.	
Political Systems  (a) Lengthy political approval process for initiatives with policy and legal implications  (b) Important risks highlighted by the FINMAPIII MTR was delay in finalising the MoFPED structure (especially the new Debt and Cash Directorate) and continued creation of new LGs.	Medium	Approval bottlenecks be elevated to the attention of the Task Manager who is the Deputy Secretary to Treasury. FINMAPIII anchored the task management function at a strategic level facilitate dialogue at the top management level on programmatic issues	This risk was introduced during the component coordinators forum during the year.  This relates initiatives relating to strengthening of legal and policy framework lagging to lengthy approval process. For instance approval process for the Revised Procurement policy still before cabinet	PS/ST
Programme Design  Lack of flexibility in the programme to address emergent PFM initiatives to the planning requirements and implications of the new PFM regulations	Medium	Adopting and monitoring the PRAM and engaging other PFM players e.g. programme to build synergies to respond to emergent PFM issues.	<ul> <li>The programme continued to liaise with other programmes SUGAR and GAPP</li> <li>Inability to implement the policy directive of PEMCOM and PTC midyear after the work plan.</li> </ul>	DST MSU
Limited absorption of funds	Medium	Initiate procurement early and keep Com- ponents informed of absorption trends	There was drastic improvement during the year. The procurement unit followed up the initiation of procurement requests and provided regular updates to components. Funds absorption increased from 83 to 93% percent during the period.  In addition work plan monitoring enables the programme coordination office to engage continuously with the components in	Components & MSU

Key Risks	Risk Rating	Risk Mitigation Strategy	Risk Mitigation Status	Risk Owner
Limited resources (Financial , equipment and human) to promote efficiency in accomplishment of tasks	High	There is need for components to annually review their priority areas before the budgeting process	Components remain generally weak in prioritizing their activities, especially in light of the constrained resource envelope of the programme. The 2017/18 budget is planned to start with a strategic planning meeting to review and agree on priority outputs.	PS/ST and DPs
Attitude, commitment and ethics of staff	Medium	Continuous profes- sional development, appraisal and counsel- ing of staff	While the ethics of staff have generally remained high through professional training, morale under the programme remains mixed due to a combination of lack of monetary and non-monetary incentives.	Components & MSU
High Staff turnover stemming from Human resource practices which may result in a hostile work environment, dis-incentive or cause poor staff morale	High	Implement a system that allows for upward feedback to Management and institute regular review of terms and conditions of service	This remains a major and pertinent area for improvement. There currently aren't adequate or functional mechanisms for upward feedback to management on issues pertaining to the staff of the programme. In addition, the terms and conditions of staff need to be reviewed to reflect the prevailing cost of living and comparable compensation.  Agreement was reached between DPs and MoFPED on a harmonized the pay structure among the comparable staff positions. This took effect 2016/17	Components & MSU
Disregard of regulations, policies and procedures by those in decision-making offices either out of ignorance or negligence.	Medium	Increase awareness about the need to observe laws, policies and procedures when making decisions	MSU has continued to oversee adherence to the manual during the course of the year. The MSU has made an effort to issue reminders on prevailing policies and procedures, through the issuance of a programme Human Resources manual in FY2014/15.	Components & MSU



# Lessons

### 5.1. Challenges Faced

A number of challenges were faced during FY 2016/17. They were both strategic and operational in nature. These included:

- |. Contractual Obligations: Due to incomplete procurement processes as well as contractual implications that require that long-term deliverables aren't completed in a given year. This was a challenge during the work planning because contractual obligations take first call on resources and at times thereby constraining the limited space for funding new priorities. This will require for multiyear planning to enable components forecast and also reduce the effect of under absorption. Already, GoU funds, aren't carried over but instead "lost" to the consolidated fund
- II. Forex losses: The programme is still faced with the current inflationary rates that threaten to devalue the overall budget. The programme work plan and budget for next financial year is therefore denominated in Uganda shillings currency rather USD.

### 5.2. Lessons Learned

A number of lessons were learnt during FY 2016/17 as follows:

Innovative Approaches for reforms: Not all reforms will require immediate policy review. To expedite change, there is need for component to devise innovative approaches that may include a review of workflow methods within the existing policy framework. A case in point was the Parliamentary oversight approaches to fast tracking coverage of backlog reports of the Office of the Audit General. PPDA engaged the process of availing procurement guidelines bases on the existing regulations to local governments on thresholds etc.

### **Multiyear Planning:**

Multi-annual planning and budgeting is an important step in strengthening PFM systems and public investment management. Firstly it forces planners to take account of recurrent costs in project implementation and the costs of planned policy changes. Multi-year budgeting should provide more predictability in the flow of resources to a sector / MDA / project, which in itself will encourage better forward planning by sectors and MDAs. Where there is no predictability of medium term forecasts, MDAs and sector will tend to ignore ceilings and continue with unrealistic plans disregarding recurrent costs. Monitoring multi-year budgets and trying to make forward (2 and 3 year) forecasts more meaningful should gradually lead to improved planning over time as sectors/MDAs learn to be more realistic with their time frames and focus more on assumptions and risks in the project/programme implementation.

Good performers in this process should be rewarded with more predictable flow of funds, whilst poor performers can be identified and carefully monitored with adjustments to budgets as required. This is especially important for large public investment projects, where it is essential to appraise projects based on their longer term costs and benefits.

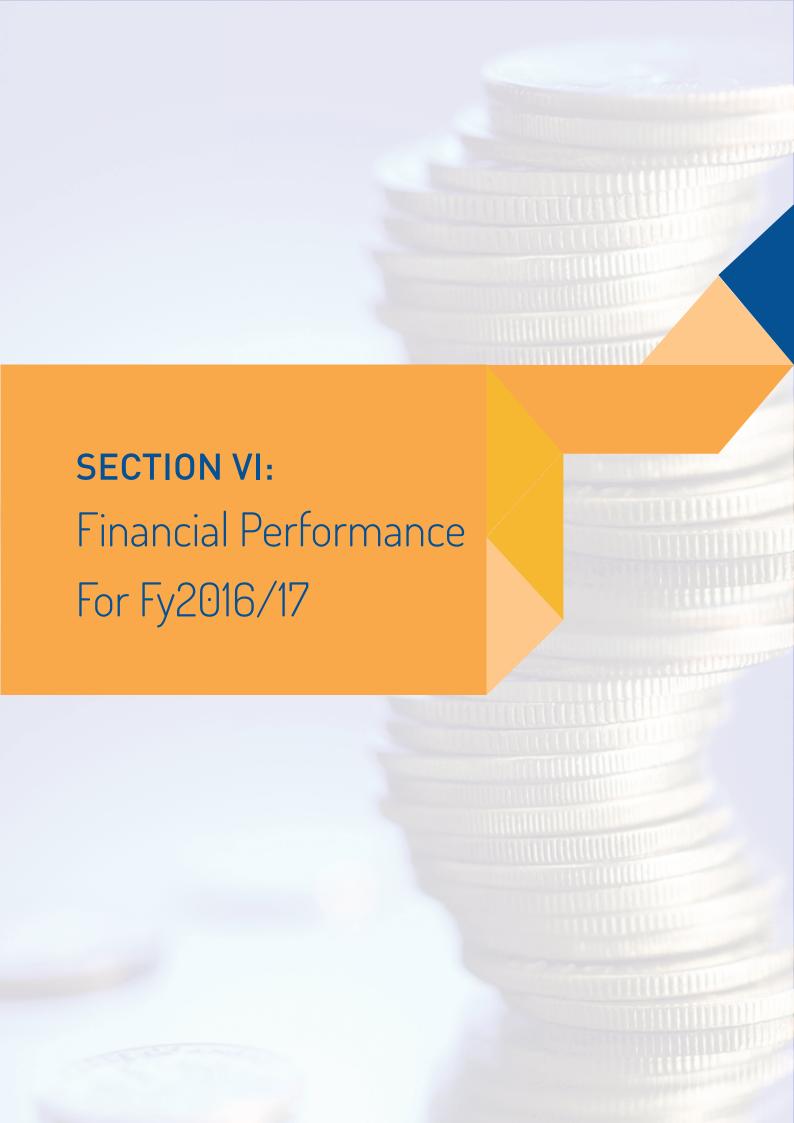
Moreover, suboptimal budget absorption has been a major problem in Uganda's public investment management and better multiyear planning and budgeting is a critical step in resolving this problem. Large projects and reform processes take place over much longer timeframes than a single year, and need to be subject to more rigorous multi-year planning and budgeting along with careful monitoring of progress. For large projects (including FINMAP) short term budgeting for a one year period will tend to undermine achievement of objectives, risk low absorption of funds, prevent learning from experience during implementation, and compromise longer term sustainability.

Preparation for new Systems: FINMAP is an IT systems heavy programme in terms of investments. However, noting the challenges that befell the CEMAS initiative, Business Process re-engineering has to be a prerequisite before introduction of new systems. Business Process Reengineering involves the radical review of core business processes to achieve improvements in productivity, cycle times and quality and ultimately user needs. This will enable projects to also be prepared for challenges when attempting to introduce efficiency and transparency with IT systems.

Undertaking an independent BPR independently, before implementation, can identify software modifications to make "the software fit the process." It can accomplish some measure of process improvement and can do so more efficiently, cost effectively, and with less prolonged disruption of personnel.

### **Strategic Communication**

There is need for more communication and engagement with wider stakeholders on PFM reform process. There are opportunities for programme coordination office to engage on the wider reform process and direction of change for the reforms.



# Financial Performance

### 6.1 Financial Statement FY 2016/17

This section provides details financial performance during the financial year. The programme absorbed 93 per cent of the funds received for FY 2016/17 of the funding received against the work plan. This represents an improvement in the budget performance.

This year, the programme received the bulk of funds expected from developing partners with GoU honouring 99.5 per cent of her commitment. This demonstrates the continued commitment from all the basket partners to the reform programme.

Notably, this commitment was affirmed with the advance receipts in respect for financial FY17/18 from the KFW (Euro 2m) – earmarked for external oversight and EU (Euro 1.741m). In addition, the Programme received supplementary funding from GoU in honour of unremitted disbursement in the 4<sup>th</sup> quarter of last FY 15/16. The supplementary was to cater for Tier 2 contractual commitments arising from that financial year.

A key lesson contributory to improved performance is the criticality of the timing of partners' disbursement. Refer to NOTE 2 for details on disbursements of commitments in the table below. The table also provides a statement of financial performance for period ended 30 June 2017.

Table: STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2017

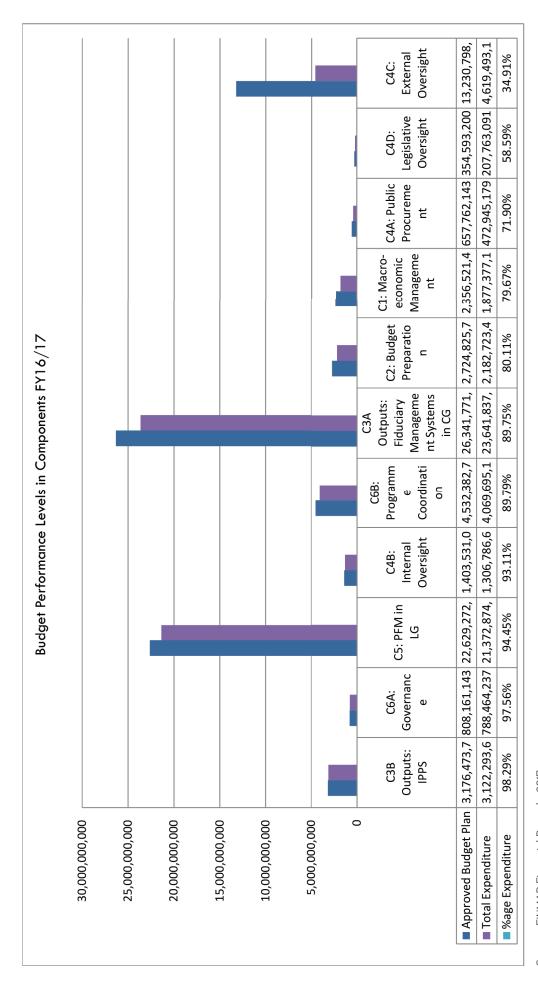
REVENUE	UGX	Notes
Grant Income from basket Development Partners brought forward from FY15/16	11,347,266,277	1
Grant Income from Basket Development Partners_FOR FY16/17(Received as at 30/June/2017)		2
KfW (EUR 2 Million)	7,868,911,491	
DANIDA (DKK3Million)	1,540,476,418	
Norway (NOK5Million	1,996,145,948	
DFID (GBP 500,000)	2,258,340,070	
DFID (GBP 1,043,000)	4,656,319,867	
Sub Total Grant Income Received as at 30 June 2017	<u>18,320,193,794</u>	
BASKET GRANT INCOME FY16/17	29,667,460,071	
GOU COUNTERPART FUNDS FY16/17	_38,771,572,998	3
Adding Other Inflows:		
Advance Grant Receipts for FY17/18		
KfW (EUR 2 Million)	7,735,174,475	2

REVENUE	UGX	Notes
EU (EUR 1,741,678.62)	6,693,787,666	2
Add Other Incomes FY16/17	101,701,445	4
Sub-total of other inflows	14,530,663,586	
TOTAL REVENUE FY16/17	82,969,696,655	
Adjust for Advance tax payment to URA	<u>(36,470,841</u> )	
Funds Available	82,933,225,814	
EXPENDITURE BY COMPONENT		5
Macro-Economic Management	1,976,057,539	
Budget Preparation and Monitoring	2,284,518,374	
Improved GoU Payroll, Pension , HR Management& Public Procurement	3,591,062,228	
Fiduciary Management Systems in CG	24,553,692,250	
Internal Oversight	1,326,843,904	
Public Financial Management in LG	20,134,975,792	
External Oversight & Legislative Oversight	4,739,425,102	
Programme Coordination & Governance Oversight	4,947,469,983	
Exchange Loss/(Gain)	(190,586,228)	
TOTAL EXPENDITURE	63,363,458,944	
(Absorption UGX63, 363,458,944/68,240,433,069 93%)		
Balance For The Period	19,569,766,870	6
Excluding GoU Portion	(1,730,445,454)	6
Balance carried forward to FY 2017/18 (excl. Gou)	<u>17,839,321,416</u>	6
Notes		
REVENUE FY16/17		
Note 1: FY15/16 Carry Forward Grant Income on Basket Account		
UGX 11,347,266,277 was balance of receipts as at 30 June 2016, mainly from KFW earmarked funds for OAG component towards construction of Hoima and Moroto Regional offices. In addition there was DFID Earmarked funds for IFMS Tier 1 roll out to 29Sites received in advance (FY15/16)-GBP1,046,000	11,347,266,277	
Note 2: FY16/17 Grant Income from Basket Development Partners		
KfW (Euro) 4Million – Earmarked for Auditor General's Office UGX 7,868,911,491 + UGX 7,735,174,475*Advance Receipt for FY17/18	15,604,085,966	
DANIDA (DKK)3Million	1,540,476,418	
Norway (NOK) 5Million * This is a late disbursement meant for FY15/16. Receipt for FY16/17 received in FY 17/18 (July 2017)	1,996,145,948	
DFID (Pound Sterling) 1,000,000; GBP500, 000 Received in February 2017. Balance of GBP500,000 received in FY 17/18 (August 2017)	2,258,340,070	

REVENUE	UGX	Notes
DFID (GBP) 2.086Million all released, earmarked for roll out to TIER1 TO 29 sites under Local Government*UGX 4,771,789,343/= Advance Receipt in 2015/16 + 4,656,319,867 Received in 2016/17	4,656,319,867	
EU*30,602,800,000/=(EUR08Million) - UGX 2 Million * Less Penalty EUR0258,321.38= EUR1,741,678.62 Advance Receipt in FY16/17	6.693,787,666	
TOTAL GRANT INCOME	44.096.422.212	
Note 3: Government Counterpart Funding		
Q1	6,407,412,020	
Q2	10,078,759,254	
Q3	10,222,344,401	
FY15/16 Q4 GOU Balance released as Supplementary	1,890,000,000	
Q4	10,173,057,323	
TOTAL GOU COUNTERPART FUNDING	<u>38.771.572.998</u>	
Note 4: Other Incomes		
Other Income from sale of bid documents (97 Tender Bids sold)	10,900,000	
Miscellaneous Receipts	64,644,465	
Unapplied funds for LG Workshop (FY15/16)	26,156,980	
	101,701,445	
TOTAL REVENUE	82,969,696,655	
Note 5: Expenditure Analysis		
Expenses- Functional Classification-Component Outputs	63,554,045,172	
Exchange Gain	<u>(190.586.228)</u>	
Total Expenditure	63,363,458,944	
Note 6: Surplus of the Period (FY16/17)		

REVENUE	UGX	Notes
Basket:	UGX	
EU-EUR 1,741,678.62 ( Advance receipt for FY17/18)	6,693,787,666	Bank Basket A/C
KFW- EUR 2,000,000 (Advance Earmarked Funds for OAG)	7,735,174,475	Bank Basket A/C
Basket UGX+USD(Balance on FY16/17 receipts earmarked for KFW/0AG)	3,410,359,275	Bank Basket A/C
GOU (Long Term Consultancy Obligations that were yet to be completed eg CEMAS,Data Centre, Enhancement, Balance on Salaries)	1,730,445,454	Returned to Consolidated Fund
Subtotal	19,569,766,870	
Bank Balance on Basket account as at 30 June 2017 USD 4,663,277.13 and UGX 1,101,054,286)	<u>17,839,321,416</u>	
Total Absorption :		
Absorption (Excluding EU & KfW Funds received in advance for FY 17/18 Budget) - UGX63,363,458,944/UGX68,240,433,069	93%	

#### **Expenditure Snapshot**



Source: FINMAP Financial Records, 2017

#### 6.2 DETAILED ACTIVITY LEVEL EXPENDITURE ANALYSIS FY16/17

#### Component 01A & 1B Outputs: Macro-economic Management

Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expenditure	%age Expenditure	Balance
01.01.11	Finalisation of the IMEM	1,096,680,000	790,938,276	72.12%	305,741,724
01.04.01	Provide technical support to PFM reforms in macro-economic management	879,825,569	724,336,603	82.33%	155,488,966
01.09.02	Consultancy to develop strategy for strengthening tax reve- nue mobilization and administration	87,564,247	75,977,545	86.77%	11,586,702
01.13.01	In-house training program on tax audit and international taxation undertaken	36,559,656	30,303,710	82.89%	6,255,946
01.16.04	Sustainability support for installing AMIS/ Aid Management Platform (Development Gateway)	219,336,000	219,311,225	99.99%	24,775
01.16.05	Conduct in house training for DARC staff and DPs in the effective usage of AMP for aid management and reporting	36,556,000	36,509,760	99.87%	46,240
	Component 01A & 1B Total	2,356,521,472	1,877,377,119	79.67%	479,144,353
Comp	onent 02 Outputs: Budget Preparation And Monitoring				
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance
02.03.05	Align the PBB framework to the Public Finance Act 2015	86,637,720	89,024,526	102.75%	-2,386,806
02.03.06	Develop user guide for PBB system	86,637,720	84,339,999	97.35%	2,297,721
02.03.07	Conduct stakeholder workshops on Programme Based Budgeting (200 pax)	86,637,720	85,148,001	98.28%	1,489,719
02.08.01	Provide technical support to PFM reforms in budget preparation and monitoring	2,058,044,310	1,834,935,330	89.16%	223,108,980
02.17.01	Undertake a consultancy to develop a framework for PPP	406,868,280	89,275,629	21.94%	317,592,651
	Component 02 Total	2,724,825,750	2,182,723,485	80.11%	542,102,265
	Component 03A Outputs: Fiduciary Management Systems in	CG			
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expenditure	%age Expenditure	Balance
03.01.06	Provide technical support to PFM reforms in AGO	3,081,438,025	3,092,979,158	100.37%	-11,541,133
03.01.07	Provide administrative support to the IFMS Project Office	365,608,300	401,890,832	109.92%	-36,282,532
03.01.09	Oracle 2nd Level Support; Consultancy Services for IFMS Application, Database & Infrastructure Security	1,923,978,836	1,617,844,766	84.09%	306,134,070
03.01.10	DFPs connected on IFMS	97,579,164	37,683,000	38.62%	59,896,164
03.01.11	Rollout of IFMS to additional 8 new votes/Sites	96,178,836	5,972,000	6.21%	90,206,836
03.01.12	IFMS Training, onsite support and Change Management	422,808,000	432,726,976	102.35%	-9,918,976
03.01.13	Consultancy for developing an Electronic Data Archival and retrieval system	329,004,000	81,121,569	24.66%	247,882,431

Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expenditure	%age Expenditure	Balance
03.01.14	Balance on Oracle Support Contract for FY2015/16; Implementation of Oracle Payments module and other security functionality; Implementation of Oracle Enterprise license cost	5,013,381,100	4,775,400,372	95.25%	237,980,728
03.01.15	Extend Non-Current Assets module to all CG & LG Tier 1	281,872,000	247,883,061	87.94%	33,988,939
03.02.03	procurement of system security tools, GRC, Audit Vault and related capacity building	4,032,114,820	3,586,930,431	88.96%	445,184,389
03.03.09	Minimal enhancement of the data centre capacity	4,475,845,161	4,522,631,956	101.05%	-46,786,795
03.04.02	Support for operationalization of regional centres	292,448,000	60,745,294	20.77%	231,702,706
03.07.07	Implement CEMAS solution to MUBS, MUST and MUK	3,590,703,239	2,715,184,630	75.62%	875,518,609
03.08.06	Strengthen Inspection Function under AGO and Capacity Development for AGO staff	1,197,956,000	1,101,379,337	91.94%	96,576,663
03.15.03	TSA framework for remaining LG Tier 2 and DFPs implemented	144,396,200	0	0.00%	144,396,200
03.16.04	Dissemination of PFM regulations and development of Treasury Instructions and FRTs	637,510,000	671,462,062	105.33%	-33,952,062
03.19.02	Consultancy in Spend Analysis undertaken in Key selected PDEs	182,780,000	168,852,761	92.38%	13,927,239
03.20.02	Dissemination of the National Public Procurement Policy and development of implementation strategy	176,170,000	121,148,820	68.77%	55,021,180
	Component 03A Total	26,341,771,681	23,641,837,025	89.75%	2,699,934,656
	Component 03B Outputs: IPPS				
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance
04.03.04	Strengthen capacity of end users in MDAs and LGs in decen- tralised payroll and pension management in 207 votes for Aos and HROs	522,750,800	514,145,775	98.35%	8,605,025
04.04.02	Undertake monthly payroll and pension technical and func- tional support to the Regional Support Centres	54,834,000	53,117,142	96.87%	1,716,858
04.05.01	Project Running Costs	365,560,000	397,945,010	108.86%	-32,385,010
04.05.06	Provide technical support to PFM reforms in IPPS	1,133,571,503	1,133,333,773	99.98%	237,730
04.06.02	Implement OAG biometrics payroll audit recommendation prior to integration	164,502,000	164,507,000	100.00%	-5,000
04.07.02	Conduct activity based training for 10 staff in payroll & contract management	43,867,200	43,270,500	98.64%	596,700
04.11.05	maintenance of EDMS & link it to the payroll	87,156,267	87,146,225	99.99%	10,042
04.11.06	Scan, index and upload backlog documents into the EDMS and link to IPPS	402,116,000	409,461,550	101.83%	-7,345,550
04.12.01	Undertake integration of IPPS with National IDs (functional and technical support for biometric payroll system)	402,116,000	319,366,696	79.42%	82,749,304
	Component 03B Total	3,176,473,770	3,122,293,671	98.29%	54,180,099
Co	omponent 05 Outputs: PFM in Local Governments				

Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expenditure	%age Expenditure	Balance
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance
05.02.03	Procure laptops and printers for the automated Tax information system for 30 LGs	292,813,560	325,940,269	111.31%	-33,126,709
05.03.04	Enhance IT capacity at LGFC for centralised storage of the automated Tax information system	18,278,000	18,278,001	100.00%	-1
05.04.02	Procure computer software, for the automated tax information system in 30 LGs	86,637,720	125,590,133	144.96%	-38,952,413
05.07.05	Undertake consultancy to review the fiscal decentralisation Architecture and determine the share of LG transfers out of the national budget	296,103,600	120,485,151	40.69%	175,618,449
05.10.01	Develop simplified guidelines in budgeting, accounting and reporting for LLGs and service units (incl. secondary schools, primary schools, hospitals and health units	166,998,775	133,591,644	80.00%	33,407,131
05.10.02	Provide technical backstopping to the development of the simplified guidelines	51,982,632	51,366,518	98.81%	616,114
05.10.03	Printing of Simplified Guidelines	57,758,480	45,506,488	78.79%	12,251,992
05.12.00	Review and amend financial and accounting regulation manuals and guidelines in line with the new PFM law	86,637,720	64,737,460	74.72%	21,900,260
05.15.01	Setup and deploy the IFMS tier-2 solution	6,075,662,000	6,768,661,965	111.41%	-692,999,965
05.15.02	Provide technical support to PFM reforms in LG	3,041,015,864	2,622,416,335	86.23%	418,599,529
05.15.05	Pre- & Post Go live site support to 10 new rollout sites (1 Year)	105,382,915	103,762,835	98.46%	1,620,080
05.15.10	Site Readiness Assessment of 10 rollout new Sites	11,854,096	11,431,283	96.43%	422,813
05.15.11	Project Kick Off Meeting	35,562,289	16,785,650	47.20%	18,776,639
05.15.13	Master Data Collection and Validation	66,382,939	40,005,716	60.27%	26,377,223
05.15.14	Training of Core & End Users of the new 10 rollout sites (at least 25 per site)	177,811,443	178,816,236	100.57%	-1,004,793
05.15.18	Commissioning and official hand over of the 10 new rollout sites	39,513,654	47,466,347	120.13%	-7,952,693
05.15.19	Undertake Consultancy for Installation and Maintenance of WAN Link - 512 kbps to 10 LGs for 1 Year	146,990,793	146,990,169	100.00%	624
05.15.20	Recurrent Costs (1 Year) DFID Rollout Sites	530,611,869	310,935,835	58.60%	219,676,034
05.15.23	Recurrent Costs for WAN at Higher Local Governments	315,478,280	306,445,502	97.14%	9,032,778
05.15.24	Provision of Pre-printed Stationery (Revenue Receipts & LPOs) to the 10 new rollout sites -start-up stationery	61,246,164	55,091,479	89.95%	6,154,685
05.15.25	Provision of Computer Tables and Chairs for HoDs IFMS Pool Offices of the 10 new Rollout Sites (6 Computer Tables and 6 Chairs per site)	45,440,702	0	0.00%	45,440,702
05.15.26	Undertake Consultancy to setup and deploy the IFMS Tier 2 Solution to 10 LGs (DFID)	10,435,556,021	9,412,297,995	90.19%	1,023,258,026
05.15.16	Pre & Post Go Live Change Management for 10 Rollout Sites	82,978,673	81,001,150	97.62%	1,977,523
05.15.17	Equipment Inspection and User Acceptance Sign Off-10 new rollout sites	35,562,289	26,809,771	75.39%	8,752,518
05.28.01	Project running costs including office rent	321,692,800	320,744,671	99.71%	948,129
05.29.01	Undertake 3 day field visits to train staff on the automated tax information system rolled out to 30 LGs	43,318,860	37,716,299	87.07%	5,602,561

Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expenditure	%age Expenditure	Balance
	Component 05 Total	22,629,272,138	21,372,874,902	94.45%	1,256,397,236
	Component 04A Outputs: Public Procurement				
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance
06.04.01	Print the amended LG regulations, guidelines and SBDs	20,793,053	0	0.00%	20,793,053
06.04.02	Standard Bidding Documents/User Guides and Guidelines	115,516,960	0	0.00%	115,516,960
06.04.03	Stakeholder consultations on the SBDs	99,633,378	100,267,048	100.64%	-633,670
06.05.01	Procure and implement the e-learning system	0	0	0.00%	0
06.06.03	Support the establishment of the procurement e-learning system	87,734,400	82,656,050	94.21%	5,078,350
06.07.02	Undertake follow up exercises on the recommendations of procurement audits	23,103,392	16,277,000	70.45%	6,826,392
06.08.04	Consultancy to prepare/update a procurement compliance monitoring, reporting and enforcement mechanism	131,624,000	121,182,418	92.07%	10,441,582
06.08.05	Workshop-Consultancy to prepare/update a procurement compliance monitoring, reporting and enforcement mechanism	36,556,000	30,506,429	83.45%	6,049,571
06.08.06	Design and print 100 copies of the framework/guidelines	20,448,960	0	0.00%	20,448,960
06.08.07	Undertake training and follow up of poor performing entities to help them improve their procurement practices	54,834,000	61,130,352	111.48%	-6,296,352
06.11.01	Provide technical support to PFM reforms in public procure- ments	67,518,000	60,925,882	90.24%	6,592,118
	Component 04A Total	657,762,143	472,945,179	71.90%	184,816,964
	Component 04B Outputs: Internal Oversight				
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance
07.01.03	ERA software maintenance and support costs to utilise the software.	109,668,000	91,242,893	83.20%	18,425,107
07.02.03	Undertake a study to develop performance audit selection strategy	43,318,860	38,000,000	87.72%	5,318,860
07.06.03	Conduct quality Assurance on GoU on IT systems	43,318,860	39,760,000	91.78%	3,558,860
07.08.02	Undertake consultancy to develop a risk management strate- gy and forensic audit guidelines	46,206,784	1,088,640	2.36%	45,118,144
07.09.02	Procure upgraded IDEA software licences and undertake consultancy to train staff in data analytics	288,792,400	312,659,491	108.26%	-23,867,091
07.15.02	Payment of retainer fees, sitting allowances and holding training seminars for audit committee members	693,101,760	647,514,248	93.42%	45,587,512
07.23.01	Review reports, undertake Inspections to follow-up and validate of Accounting Officer's responses	179,124,400	176,521,400	98.55%	2,603,000
	Component 04B Total	1,403,531,064	1,306,786,672	93.11%	96,744,392

Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expenditure	%age Expenditure	Balance
	Component 04C Outputs: External Oversight				
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance
08.01.02	Project manager and administrative assistant	86,981,027	148,544,469	170.78%	-61,563,442
08.01.05	Construction of the OAG Hoima regional office	2,025,000,000	1,129,885,122	55.80%	895,114,878
08.01.10	Undertake supervision meetings of construction works on the Moroto regional office	87,734,400	32,633,050	37.20%	55,101,350
08.01.12	Construction of the OAG Moroto regional office	4,178,722,006	632,208,405	15.13%	3,546,513,601
08.01.15	Supervision of Hoima regional office (construction and supervision in FY 16/17)	151,537,062	50,931,195	33.61%	100,605,867
08.01.16	Supervision of Moroto regional office (construction and supervision in FY 16/17)/In-house project staff/ team for construction works on the Hoima regional office	147,473,660	0	0.00%	147,473,660
08.01.18	Furniture for offices and staff quarters	236,151,760	0	0.00%	236,151,760
08.01.19	ICT installations	269,540,921	140,531,108	52.14%	129,009,813
08.01.20	Hybrid solar installations	269,540,921	0	0.00%	269,540,921
08.01.21	Office equipment	433,307,758	457,822,805	105.66%	-24,515,047
08.01.22	Field motor vehicles	790,344,000	566,615,800	71.69%	223,728,200
08.01.23	Relocation costs	83,347,680	0	0.00%	83,347,680
08.01.25	In-house project staff / team for construction works on the Hoima Regional Office	43,867,200	43,768,325	99.77%	98,875
08.02.07	Developing specifications for MIS and related applications (EDMS, IM, FM). Procure and install components of MIS system	2,706,164,455	16,218,927	0.60%	2,689,945,528
08.02.14	Train staff on use of the management information system (30 staff)	94,541,493	241,877	0.26%	94,299,616
08.05.01	Undertake professional training courses in ACCA( 50 staff each at USD 286), CPA(50 staff each at USD 255), CFA(01 staff at USD 5,087), CISA(7 staff each at USD 1,127)	146,300,768	114,691,609	78.39%	31,609,159
08.06.16	Procure an assortment of engineering audit tools	1,405,230,100	1,285,400,476	91.47%	119,829,624
08.06.17	Engineering software procured	75,012,912	0	0.00%	75,012,912
	Component 04C Total	13,230,798,123	4,619,493,168	34.91%	8,611,304,955
	Component 04D Outputs: Legislative Oversight				
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance
09.05.01	Procure hardware and software for the system	219,336,000	109,777,360	50.05%	109,558,640
09.06.03	Undertake printing and dissemination of PFM modules	36,556,000	13,802,800	37.76%	22,753,200
09.07.01	Undertake consultancy to digitise the IPS programs for easy and continuous access by MPs and other stakeholders	98,701,200	84,182,931	85.29%	14,518,269
	Component 04D Total	354,593,200	207,763,091	58.59%	146,830,109
	Component 06A Outputs: Governance and External Environm	ent			
Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expendi- ture	%age Expendi- ture	Balance

DOLOD   Provide technical support to the ISN maintenance   BOBJEN   788,464,277   9756%   19,696,906	Component Outputs and Input Codes	Short Description Outputs/Inputs	Approved Budget Plan	Total Expenditure	%age Expenditure	Balance
Component 068 Outputs Programme Coordination	10.01.01	Provide technical support to the ISN maintenance	808,161,143	788,464,237	97.56%	19,696,906
Component		Component 06A Total	808,161,143	788,464,237	97.56%	19,696,906
Component						
Disputs and   Short Description Outputs/Inputs   Short Description Outputs/In	Co	omponent 06B Outputs: Programme Coordination				
1103.01   Undertake Field Monitoring wists to IFMS, CEMAS, IPPS sizes   72.423.200   85.907/14   118.62%   13.483.914   1103.02   Conduct quarterly/bi-annual component review meetings/ refreals and retreals (PTC, PEMCOM etc.)   14.493.620   8.437.399   58.43%   6.002.239   10.03.03   Hold quarterly component coordinators' meetings   23.030.280   12.062.180   52.38%   10.968.100   1103.04   Undertake consultancy to conduct mid term evaluation of the FINMAP III Programme   182780.000   187.320.001   102.48%   -4.540.001   103.06   Conduct stakeholder consultative and validation workshops   62.624.486   17706.248   28.27%   44.918.238   110.306   Conduct PETA Fabulation   182780.000   59.300.700   32.44%   123.479.300   110.307   Conduct stakeholder consultative and validation workshops   62.624.486   62.555.788   99.89%   68.698   110.701   Contract audit Firm to undertake annual programme audit   52.758.480   27.7772.260   52.64%   24.986.220   110.01   Engage Planning, Monitoring, Evaluation, Change Management, Finance, Admin and Procurement expertise   28.778.51447   2.799.918.042   97.01%   86.133.405   110.02   Execute Change Management and Communication Strategy and materials   73.12.000   109.2560   13.7%   72.109.440   11.300   MSU Operating Costs Utilities, Fuel, Stationery)   116.854.792   123.366.075   106.08%   7.710.283   11.300   MSU Operating Costs Utilities, Fuel, Stationery)   116.854.792   123.966.032   82.04%   28.224.418   11.304   Asset verification   32.900.400   28.870.540   816.7%   6.029.860   11.306   Facilitation of telephony for programme coordination   15.790.800   128.966.392   82.04%   28.224.418   11.304   Asset verification   32.900.400   28.870.540   816.7%   6.029.860   11.306   Facilitation of telephony for programme coordination   15.790.800   128.966.392   99.95%   89.050   11.306   Facilitation of telephony for programme coordination   16.699.877   16.691.526   99.95%   89.050   11.306   Facilitation of contracts evaluation committees   12.335.082   21.731.276   99.52%   1	Outputs and	Short Description Outputs/Inputs		•		Balance
11.03.02   Conduct quarterly/bi-annual component review meetings/ refereats and retreats (PTC, PEMCDM etc.)   14.439.620   8.437.390   58.43%   6.802.230   11.03.03   Hold quarterly component coordinator's meetings   23.030.280   12.062.180   52.38%   10.368.100   11.03.04   Undertake consultancy to conduct mid term evaluation of the FIMMAP III Programme   18.2780.000   187.320.001   102.48%   -4.540.001   11.03.05   Conduct stakeholder consultative and validation workshops for mid term review of FIMMAP III   62.624.486   77.06.248   28.27%   44.918.238   11.03.06   Conduct Stakeholder consultative and validation workshops for mid term review of FIMMAP III   62.624.486   62.555.788   99.89%   68.698   11.07.01   Contract audit firm to undertake annual programme audit   52.758.490   27.772.260   52.64%   24.986.220   11.07.01   Contract audit firm to undertake annual programme audit   52.758.490   27.772.260   52.64%   24.986.220   11.00.01   Engage Planning, Monitoring, Evaluation, Change Management, Plana of Disseminate Change Management, Plana of Disseminate Change Management and Communication Strategy and materials   73.112.000   1.002.560   1.37%   72.109.440   11.12.04   Conduct Annual staff retreat   57.758.480   46.383.558   80.31%   11.374.922   11.3.01   MSU Operating Costs (Utilities Fuel, Stationery)   116.684.792   123.956.075   106.09%   7.101.283   11.3.02   Maintenance and repair motor vehicles   124.290.400   117.181.381   94.28%   7.109.019   11.3.04   Asset verification   32.900.400   28.870.540   81.57%   68.029.860   11.3.04   68.029.860   7.009.860   7.	11.01.01		86,637,720	86,637,720	100.00%	0
11.03.12   rieteals and retreals (PTC, PEMCDM etc.)	11.03.01	Undertake Field Monitoring visits to IFMS, CEMAS, IPPS sites	72,423,200	85,907,114	118.62%	-13,483,914
11.03.04   Undertake consultancy to conduct mid term evaluation of the FINNAP III Programme   182.780,000   187.320,001   102.49%   -4.540,001   11.03.05   Conduct stakeholder consultative and validation workshops for mid term review of FINNAP III   62.624,486   17.706,248   28.27%   44.318,238   11.03.06   Conduct PEFA Evaluation   182.780,000   59.309,700   32.44%   123.479,300   11.03.07   Conduct stakeholder consultative and validation workshops for PEFA review of FINNAP III   62.624,486   62.555,788   99.89%   68.698   11.0701   Contract audit firm to undertake annual programme audit   52.758,480   27.772,260   52.64%   24.986,220   11.001   Engage Planning, Monitoring, Evaluation, Change Management, Finance, Admin and Procurement expertise   2.877.051,447   2.790,918,042   97.01%   86.133.405   11.002   Execute Change Management Plans a) Disseminate Change Management and Communication Strategy and materials   73.112,000   1.002,560   1.37%   72.109,440   11.204   Conduct Annual staff retreat   57.758,480   46.383,558   80.31%   11.374,922   11.301   MSU Operating Costs (Utilities, Fuel, Stationery)   116,854,792   123,956,075   106,08%   7.101,283   11.302   Maintenance and repair motor vehicles   124,290,400   117,181,381   94,28%   7.109,019   11.303   Printing and Dissemination of all publications for programme coordination office   157,190,800   128,966,382   82,04%   28,224,418   11.304   Asset verification   32,900,400   26,870,540   816,7%   6,029,860   11.306   Publication of telephony for programme coordination   36,322,188   39,287,411   108,19%   -2,975,223   11.306   Publication and advertisements in media for all programme coordination and advertisements in media for all programme coordination materials including procurement   16,698,877   16,691,526   99,95%   8,351   11.309   Conduct Procurement Planning meetings   23,761,400   23,961,925   109,84%   -2,975,223   11.310   Small office equipment   37,887,808   14,060,177   37,11%   23,827,631   11.311   Maintenance and servicing of office	11.03.02		14,439,620	8,437,390	58.43%	6,002,230
the FINMAP III Programme 182,780,000 182,820,001 182,820,001 182,820,001 183,8	11.03.03	Hold quarterly component coordinators' meetings	23,030,280	12,062,180	52.38%	10,968,100
11.03.05	11.03.04		182,780,000	187,320,001	102.48%	-4,540,001
11.03.07   Conduct stakeholder consultative and validation workshops for PEFA review of FINMAP III	11.03.05		62,624,486	17,706,248	28.27%	44,918,238
11.07.01   Contract audit firm to undertake annual programme audit   52,758,480   27,772,260   52,64%   24,986,220     11.001   Engage Planning Monitoring, Evaluation, Change Management, Finance, Admin and Procurement expertite   2,877,051,447   2,790,918,042   97,01%   86,133,405     11.1002   Execute Change Management Plans a) Disseminate Change Management and Communication Strategy and materials   73,112,000   1,002,560   1,37%   72,109,440     11.12.04   Conduct Annual staff retreat   57,758,480   46,383,558   80,31%   11,374,922     11.13.01   MSU Operating Costs (Utilities, Fuel, Stationery)   116,854,792   123,956,075   106,08%   -7,101,283     11.13.02   Maintenance and repair motor vehicles   124,290,400   117,181,381   94,28%   7,109,019     11.13.03   Printing and Dissemination of all publications for programme   157,190,800   128,966,382   82,04%   28,224,418     11.13.04   Asset verification   32,900,400   26,870,540   81,67%   6,029,860     11.13.05   Facilitation of telephony for programme coordination   36,322,188   39,297,411   108,19%   -2,975,223     11.13.06   Publication and advertisements in media for all programme coordination materials including procurement   16,699,877   16,691,526   99,95%   8,351     11.13.07   Support for staff welfare in programme coordination unit   32,900,400   32,010,250   97,29%   890,150     11.13.08   Facilitation of contracts evaluation committees, recruitment committees   21,835,082   21,731,276   99,52%   103,806     11.13.10   Small office equipment   37,887,808   14,060,177   37,11%   23,827,631     11.13.11   Maintenance and servicing of office equipment   37,887,808   14,060,177   37,11%   23,827,631     11.15.01   Purchase of Motor Vehicles   182,780,000   138,118,600   75,57%   44,661,400     Component 06B Total   4,532,382,726   4,069,695,104   89,79%   462,687,622	11.03.06	Conduct PEFA Evaluation	182,780,000	59,300,700	32.44%	123,479,300
1110.01   Engage Planning, Monitoring, Evaluation, Change Management, Finance, Admin and Procurement expertise   2.877.051.447   2.790.918.042   97.01%   86.133.405   1110.02   Execute Change Management Plans a) Disseminate Change Management and Communication Strategy and materials   73.112.000   1.002.560   1.37%   72.109.440   1112.04   Conduct Annual staff retreat   57.758.480   46.383.558   80.31%   11.374.922   113.01   MSU Operating Costs (Utilities, Fuel. Stationery)   116.854.792   123.956.075   106.08%   -7.101.283   1113.02   Maintenance and repair motor vehicles   124.290.400   117.181.381   94.28%   7109.019   113.03   Printing and Dissemination of all publications for programme coordination office   157.190.800   128.966.382   82.04%   28.224.418   113.04   Asset verification   32.990.400   26.870.540   81.67%   6.029.860   113.05   Facilitation of telephony for programme coordination   36.322.188   39.297.411   108.19%   -2.975.223   113.06   Publication and advertisements in media for all programme coordination materials including procurement   16.699.877   16.691.526   99.95%   8.351   113.07   Support for staff welfare in programme coordination unit   32.900.400   32.010.250   97.29%   890.150   113.08   Facilitation of contracts evaluation committees, recruitment committees   21.835.082   21.731.276   99.52%   103.806   113.09   Conduct Procurement Planning meetings   23.761.400   23.961.925   100.84%   -200.525   113.10   Small office equipment   37.887.808   14.060.177   37.11%   23.827.631   115.01   Purchase of Motor Vehicles   182.780.000   138.118.600   75.57%   44.661.400   4.532.382.726   4.063.695.104   89.79%   462.687.622   4.063.695.104   4.532.382.726   4.063.695.104   89.79%   462.687.622   4.063.695.104   4.532.382.726   4.063.695.104   89.79%   462.687.622   4.063.695.104   4.532.382.726   4.063.695.104   89.79%   462.687.622   4.063.695.104   4.532.382.726   4.063.695.104   4.553.839.557   4.063.695.104   4.063.695.104   4.063.695.104   4.063.695.104   4.063.695.104   4.063.	11.03.07		62,624,486	62,555,788	99.89%	68,698
11.10.01	11.07.01	Contract audit firm to undertake annual programme audit	52,758,480	27,772,260	52.64%	24,986,220
Management and Communication Strategy and materials   7.3112,000   1.302,380   1.37%   7.2109,440   1.112.04   Conduct Annual staff retreat   57.758,480   46.383,558   80.31%   11.374,922   11.301   MSU Operating Costs (Utilities, Fuel, Stationery)   116,854,792   123,956,075   106,08%   -7.101,283   11.13.02   Maintenance and repair motor vehicles   124,290,400   117,181,381   94,28%   7.109,019   11.13.03   Printing and Dissemination of all publications for programme coordination office   157,190,800   128,966,382   82,04%   28,224,418   113,04   Asset verification   32,900,400   26,870,540   81,67%   6,029,860   1113.05   Facilitation of telephony for programme coordination   36,322,188   39,297,411   108,19%   -2,975,223   1113.06   Publication and advertisements in media for all programme coordination materials including procurement   16,699,877   16,691,526   99,95%   8,351   1113.07   Support for staff welfare in programme coordination unit   32,900,400   32,010,250   97,29%   890,150   1113.08   Facilitation of contracts evaluation committees, recruitment committees   21,835,082   21,731,276   99,52%   103,806   1113.09   Conduct Procurement Planning meetings   23,761,400   23,961,925   100,84%   -200,525   1113.10   Small office equipment   939,380   846,000   90,06%   93,380   1113.11   Maintenance and servicing of office equipment   37,887,808   14,060,177   37,11%   23,827,631   115,01   Purchase of Motor Vehicles   182,780,000   138,118,600   75,57%   44,661,400   Component 06B Total   4,532,382,726   4,069,695,104   89,79%   462,687,622   4,069,695,104   89,79%   462,687,622   4,069,695,104   89,79%   462,687,622   4,069,695,104   89,79%   462,687,622   4,069,695,104   89,79%   462,687,622   4,069,695,104   89,79%   462,687,622   4,069,695,104   89,79%   462,687,622   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,695,104   4,069,6	11.10.01		2,877,051,447	2,790,918,042	97.01%	86,133,405
11.13.01   MSU Operating Costs (Utilities, Fuel, Stationery)   116.854,792   123,956,075   106.08%   -7,101,283     11.13.02   Maintenance and repair motor vehicles   124,290,400   117,181,381   94,28%   7,109,019     11.13.03   Printing and Dissemination of all publications for programme coordination office   157,190,800   128,966,382   82,04%   28,224,418     11.13.04   Asset verification   32,900,400   26,870,540   81,67%   6,029,860     11.13.05   Facilitation of telephony for programme coordination   36,322,188   39,297,411   108,19%   -2,975,223     11.13.06   Publication and advertisements in media for all programme coordination materials including procurement   16,699,877   16,691,526   99,95%   8,351     11.13.07   Support for staff welfare in programme coordination unit   32,900,400   32,010,250   97,29%   890,150     11.13.08   Facilitation of contracts evaluation committees, recruitment committees   21,835,082   21,731,276   99,52%   103,806     11.13.10   Small office equipment   939,380   846,000   90,06%   93,380     11.13.11   Maintenance and servicing of office equipment   37,887,808   14,060,177   37,11%   23,827,631     11.15.01   Purchase of Motor Vehicles   182,780,000   138,118,600   75,57%   44,661,400     Component 06B Total   4,532,382,726   4,069,695,104   89,79%   462,687,622	11.10.02		73,112,000	1,002,560	1.37%	72,109,440
11.13.02   Maintenance and repair motor vehicles   124,290,400   117.181,381   94,28%   7.109,019     11.13.03   Printing and Dissemination of all publications for programme coordination office   157,190,800   128,966,382   82,04%   28,224,418     11.13.04   Asset verification   32,900,400   26,870,540   81,67%   6,029,860     11.13.05   Facilitation of telephony for programme coordination   36,322,188   39,297,411   108,19%   -2,975,223     11.13.06   Publication and advertisements in media for all programme coordination and advertisements in media for all programme coordination materials including procurement   16,699,877   16,691,526   99,95%   8,351     11.13.07   Support for staff welfare in programme coordination unit   32,900,400   32,910,250   97,29%   890,150     11.13.08   Facilitation of contracts evaluation committees, recruitment committees   21,835,082   21,731,276   99,52%   103,806     11.13.10   Small office equipment   939,380   846,000   90,06%   93,380     11.13.11   Maintenance and servicing of office equipment   37,887,808   14,060,177   37,11%   23,827,631     11.15.01   Purchase of Motor Vehicles   182,780,000   138,118,600   75,57%   44,661,400     Component 06B Total   4,532,382,726   4,069,695,104   89,79%   462,687,622     GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY)   78,216,093,210   63,662,253,653   14,553,839,557	11.12.04	Conduct Annual staff retreat	57,758,480	46,383,558	80.31%	11,374,922
11.13.03   Printing and Dissemination of all publications for programme coordination office   157,190,800   128,966,382   82,04%   28,224,418     11.13.04   Asset verification   32,900,400   26,870,540   81,67%   6,029,860     11.13.05   Facilitation of telephony for programme coordination   36,322,188   39,297,411   108,19%   -2,975,223     11.13.06   Publication and advertisements in media for all programme coordination materials including procurement   16,699,877   16,691,526   99,95%   8,351     11.13.07   Support for staff welfare in programme coordination unit   32,900,400   32,010,250   97,29%   890,150     11.13.08   Facilitation of contracts evaluation committees, recruitment committees   21,835,082   21,731,276   99,52%   103,806     11.13.09   Conduct Procurement Planning meetings   23,761,400   23,961,925   100,84%   -200,525     11.13.10   Small office equipment   939,380   846,000   90,06%   93,380     11.13.11   Maintenance and servicing of office equipment   37,887,808   14,060,177   37,11%   23,827,631     11.15.01   Purchase of Motor Vehicles   182,780,000   138,118,600   75,57%   44,661,400     Component 06B Total   4,532,382,726   4,069,695,104   89,79%   462,687,622     GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMEN-TARY)   78,216,093,210   63,662,253,653   14,553,839,557	11.13.01	MSU Operating Costs (Utilities, Fuel, Stationery)	116,854,792	123,956,075	106.08%	-7,101,283
11.13.04	11.13.02	Maintenance and repair motor vehicles	124,290,400	117,181,381	94.28%	7,109,019
11.13.05         Facilitation of telephony for programme coordination         36,322,188         39,297,411         108,19%         -2,975,223           11.13.06         Publication and advertisements in media for all programme coordination materials including procurement         16,699,877         16,691,526         99,95%         8,351           11.13.07         Support for staff welfare in programme coordination unit         32,900,400         32,010,250         97,29%         890,150           11.13.08         Facilitation of contracts evaluation committees, recruitment committees         21,835,082         21,731,276         99,52%         103,806           11.13.09         Conduct Procurement Planning meetings         23,761,400         23,961,925         100,84%         -200,525           11.13.10         Small office equipment         939,380         846,000         90,06%         93,380           11.13.11         Maintenance and servicing of office equipment         37,887,808         14,060,177         37,11%         23,827,631           11.15.01         Purchase of Motor Vehicles         182,780,000         138,118,600         75,57%         44,661,400           Component 06B Total         4,532,382,726         4,069,695,104         89,79%         462,687,622	11.13.03		157,190,800	128,966,382	82.04%	28,224,418
11.13.06   Publication and advertisements in media for all programme coordination materials including procurement   16.699,877   16.691,526   99.95%   8,351     11.13.07   Support for staff welfare in programme coordination unit   32,900,400   32,010,250   97.29%   890,150     11.13.08   Facilitation of contracts evaluation committees, recruitment committees   21,835,082   21,731,276   99.52%   103,806     11.13.09   Conduct Procurement Planning meetings   23,761,400   23,961,925   100,84%   -200,525     11.13.10   Small office equipment   939,380   846,000   90.06%   93,380     11.13.11   Maintenance and servicing of office equipment   37,887,808   14,060,177   37,11%   23,827,631     11.15.01   Purchase of Motor Vehicles   182,780,000   138,118,600   75,57%   44,661,400     Component 06B Total   4,532,382,726   4,069,695,104   89,79%   462,687,622     GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY)   78,216,093,210   63,662,253,653   14,553,839,557	11.13.04	Asset verification	32,900,400	26,870,540	81.67%	6,029,860
11.13.06   Coordination materials including procurement   10,699,877   10,699,877   10,699,875   99.95%   0,351     11.13.07   Support for staff welfare in programme coordination unit   32,900,400   32,010,250   97.29%   890,150     11.13.08   Facilitation of contracts evaluation committees, recruitment committees   21,835,082   21,731,276   99.52%   103,806     11.13.09   Conduct Procurement Planning meetings   23,761,400   23,961,925   100.84%   -200,525     11.13.10   Small office equipment   939,380   846,000   90.06%   93,380     11.13.11   Maintenance and servicing of office equipment   37,887,808   14,060,177   37,11%   23,827,631     11.15.01   Purchase of Motor Vehicles   182,780,000   138,118,600   75,57%   44,661,400     Component 06B Total   4,532,382,726   4,069,695,104   89,79%   462,687,622     GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY)   78,216,093,210   63,662,253,653   14,553,839,557     14,553,839,557   14,553,839,557   14,553,839,557     15,09,877   10,09,9	11.13.05	Facilitation of telephony for programme coordination	36,322,188	39,297,411	108.19%	-2,975,223
11.13.08         Facilitation of contracts evaluation committees, recruitment committees         21,835,082         21,731,276         99.52%         103,806           11.13.09         Conduct Procurement Planning meetings         23,761,400         23,961,925         100.84%         -200,525           11.13.10         Small office equipment         939,380         846,000         90.06%         93,380           11.13.11         Maintenance and servicing of office equipment         37,887,808         14,060,177         37.11%         23,827,631           11.15.01         Purchase of Motor Vehicles         182,780,000         138,118,600         75.57%         44,661,400           Component 06B Total         4,532,382,726         4,069,695,104         89.79%         462,687,622           GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY)         78,216,093,210         63,662,253,653         14,553,839,557	11.13.06		16,699,877	16,691,526	99.95%	8,351
11.13.09 Conduct Procurement Planning meetings 23,761,400 23,961,925 100.84% -200,525 11.13.10 Small office equipment 939,380 846,000 90.06% 93,380 11.13.11 Maintenance and servicing of office equipment 37,887,808 14,060,177 37.11% 23,827,631 11.15.01 Purchase of Motor Vehicles 182,780,000 138,118,600 75.57% 44,661,400  Component 06B Total 4,532,382,726 4,069,695,104 89.79% 462,687,622  GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY) 78,216,093,210 63,662,253,653 14,553,839,557	11.13.07	Support for staff welfare in programme coordination unit	32,900,400	32,010,250	97.29%	890,150
11.13.10         Small office equipment         939,380         846,000         90.06%         93,380           11.13.11         Maintenance and servicing of office equipment         37,887,808         14,060,177         37,11%         23,827,631           11.15.01         Purchase of Motor Vehicles         182,780,000         138,118,600         75,57%         44,661,400           Component 06B Total         4,532,382,726         4,069,695,104         89.79%         462,687,622           GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY)         78,216,093,210         63,662,253,653         14,553,839,557	11.13.08		21,835,082	21,731,276	99.52%	103,806
11.13.11       Maintenance and servicing of office equipment       37,887,808       14,060,177       37.11%       23,827,631         11.15.01       Purchase of Motor Vehicles       182,780,000       138,118,600       75.57%       44,661,400         Component 06B Total       4,532,382,726       4,069,695,104       89.79%       462,687,622         GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMENTARY)       78,216,093,210       63,662,253,653       14,553,839,557	11.13.09	Conduct Procurement Planning meetings	23,761,400	23,961,925	100.84%	-200,525
11.15.01 Purchase of Motor Vehicles 182,780,000 138,118,600 75.57% 44,661,400  Component 06B Total 4,532,382,726 4,069,695,104 89.79% 462,687,622  GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMEN-TARY) 78,216,093,210 63,662,253,653 14,553,839,557	11.13.10	Small office equipment	939,380	846,000	90.06%	93,380
Component 06B Total 4,532,382,726 4,069,695,104 89.79% 462,687,622  GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMEN-TARY) 78,216,093,210 63,662,253,653 14,553,839,557	11.13.11	Maintenance and servicing of office equipment	37,887,808	14,060,177	37.11%	23,827,631
GRAND TOTAL AS PER BUDGET (INCLUDING SUPPLEMEN- TARY) 78,216,093,210 63,662,253,653 14,553,839,557	11.15.01	Purchase of Motor Vehicles	182,780,000	138,118,600	75.57%	44,661,400
TARY) 70,210,093,210 63,662,233,633		Component 06B Total	4,532,382,726	4,069,695,104	89.79%	462,687,622
TARY) 70,210,093,210 63,662,233,633						
AGAINST FUNDS RECEIVED FOR USE IN FY16/17 68,240,433,069 63,662,253,653 93.29% 4,578,179,416			78,216,093,210	63,662,253,653		14,553,839,557
		AGAINST FUNDS RECEIVED FOR USE IN FY16/17	68,240,433,069	63,662,253,653	93.29%	4,578,179,416

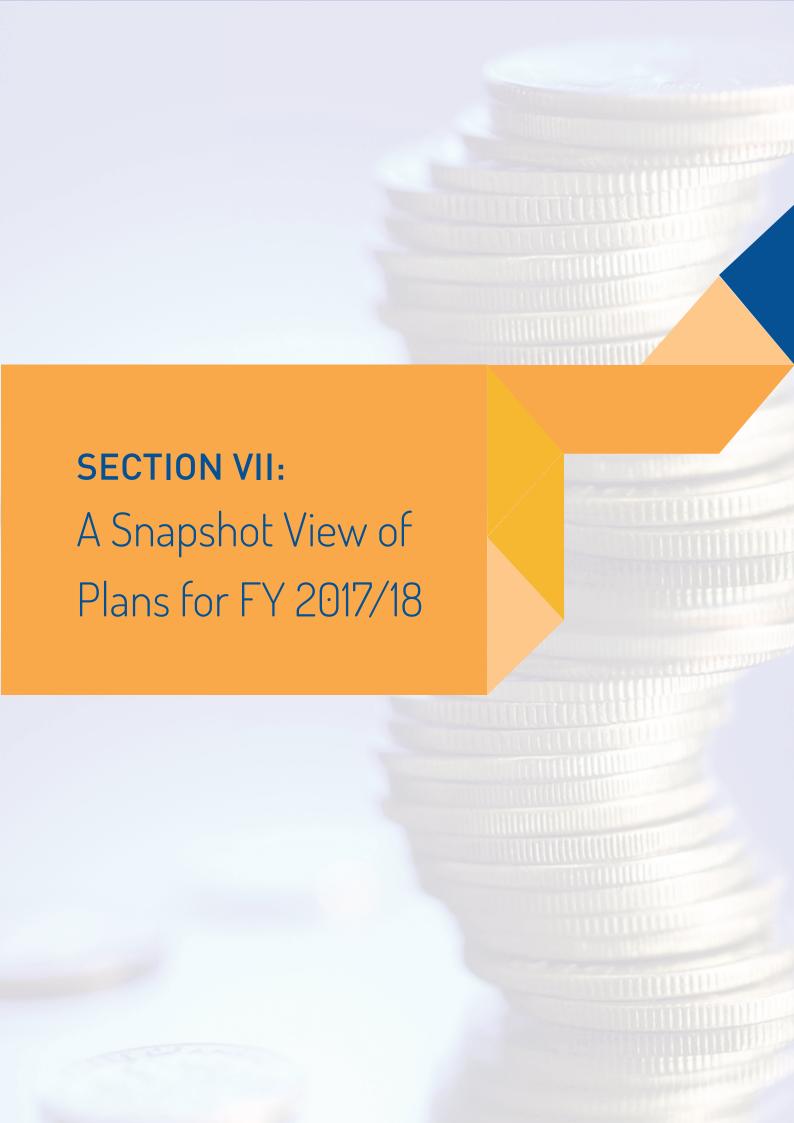


Table 14: Summary of Approved Work Plan and Budget FY 2017/18

	COMPONENT 1: MACROECONOMIC MANAGEMENT	
No.	Specific Result Area	Funds Available
1	Institutional Capacity in Macro-Economic Modelling Strengthened	1,282,384,794
2	Widen tax base and improve tax administration/ Enhance domestic revenue mobilisation	737,536,837
3	Improved debt analysis and overall Management	634,999,614
	Total	2,654,921,246
	COMPONENT 2: BUDGET PREPARATION AND MONITORIN	NG
No.	Specific Result Area	Funds Available
1	Programme Based Budgeting Framework Developed and Implemented at all levels of Government	1,340,725,598
2	Capacity of planning units at MDAs and LGs in budgeting (inline with national policy priorities and budget calendar) Strengthened	1,936,415,165
	Total	3,277,140,763
	COMPONENT 3A: FIDUCIARY MANAGEMENT SYSTEMS IN CENTRAL	GOVERNMENT
	Specific Result Area	Funds Available
1	IFMS Tier 1 solution rolled out to hybrid sites, referral hospitals & donor funded projects	9,356,327,182
2	Systems security of GoU Financial Management Systems strengthened	3,608,202,500
4	Capacity of accounting cadre in AGO $\&$ MDAs built in accounting, financial reporting $\&$ emerging areas	350,000,000
5	Harmonise the PFM legal framework and Administrative sanction regime $\&$ Improved cash management	1,977,499,053
6	Institutionally strengthen the procurement function in government	727,598,947
	Total	16,019,627,682
	COMPONENT 3B: IMPROVED GoU PAYROLL, PENSION AND HUMAN RESOU	IRCE MANAGEMENT
	Specific Result Area	Funds Available
1	Improve the timeliness, accuracy and accountability of GoU payroll and pensions payment processing	18,587,828,959
	Total	18,587,828,959
	COMPONENT 4A: PUBLIC PROCUREMENT	
	Specific Result Area	Funds Available
1	Compliance with public procurement Legal and regulatory frameworks improved	334,250,000
2	Capacity built in contract management	255,220,824
3	Implementation of integrity survey recommendations	442,638,281
4	Automation of procurement systems in CGs and select LGs	239,300,000
	Total	1,271,409,105
	COMPONENT 4B: INTERNAL OVERSIGHT	

	Specific Result Area	Funds Available
1	Improve the timeliness and quality of internal audit reporting and follow up of recommendations	2,005,852,000
2	Capacity for risk management in central government built.	740,000,000
3	Functional independence of Internal Audit role strengthened	170,000,000
5	Capacity for internal audit cadre across government strengthened	711,811,000
	Total	3,627,663,000
	COMPONENT 4C: EXTERNAL OVERSIGHT	
	Specific Result Area	Funds Available
1	Improve the timeliness and quality of external audit reporting and follow up of recommendations	8,798,775,865
2	Computer based audit and management information systems rolled out	1,946,200,293
3	Capacity built in financial and performance audits	1,048,636,400
	Total	11,793,612,558
	COMPONENT 4D: LEGISLATIVE OVERSIGHT	
	Specific Result Area	Funds Available
1	Improve the legislative scrutiny of the budget and audit reports	1,188,438,855
	Total	1,188,438,855
	COMPONENT 5: PUBLIC FINANCIAL MANAGEMENT IN LOCAL GOV	ERNMENTS
	Specific Result Area	Funds Available
1	Improved revenue planning and analysis in LGs	1,424,243,500
2	Timely and quality Financial performance reporting in LGs	603,174,000
		000,174,000
3	Improved timely & quality accounting & reporting	5,049,433,205
4	Improved timely & quality accounting & reporting  Timely and quality internal audit reporting	· · ·
		5,049,433,205
4	Timely and quality internal audit reporting	5,049,433,205 182,780,000
4	Timely and quality internal audit reporting  Timely and quality LG PAC reporting	5,049,433,205 182,780,000 330,893,480 <b>7,590,524,185</b>
4	Timely and quality internal audit reporting Timely and quality LG PAC reporting  Total	5,049,433,205 182,780,000 330,893,480 <b>7,590,524,185</b>
4	Timely and quality internal audit reporting  Timely and quality LG PAC reporting  Total  COMPONENT 6A: GOVERNANCE AND EXTERNAL ENVIRONMENT 6A: GOVERNANCE AND EXTERNAL	5,049,433,205 182,780,000 330,893,480 <b>7,590,524,185</b>
4	Timely and quality internal audit reporting  Timely and quality LG PAC reporting  Total  COMPONENT 6A: GOVERNANCE AND EXTERNAL ENVIRONS  Specific Result Area	5,049,433,205 182,780,000 330,893,480 <b>7,590,524,185</b> <b>1ENT</b> Funds Available
4	Timely and quality internal audit reporting  Timely and quality LG PAC reporting  Total  COMPONENT 6A: GOVERNANCE AND EXTERNAL ENVIRONS  Specific Result Area  Strengthen governance and institutional coordination for PFM	5,049,433,205 182,780,000 330,893,480 <b>7,590,524,185</b> <b>1ENT</b> Funds Available 1,683,148,476
4	Timely and quality internal audit reporting  Timely and quality LG PAC reporting  Total  COMPONENT 6A: GOVERNANCE AND EXTERNAL ENVIRONS  Specific Result Area  Strengthen governance and institutional coordination for PFM  Total	5,049,433,205 182,780,000 330,893,480 <b>7,590,524,185</b> <b>1ENT</b> Funds Available 1,683,148,476
4	Timely and quality internal audit reporting  Timely and quality LG PAC reporting  Total  COMPONENT 6A: GOVERNANCE AND EXTERNAL ENVIRONS  Specific Result Area  Strengthen governance and institutional coordination for PFM  Total  COMPONENT 6B: PROGRAMME COORDINATION	5,049,433,205 182,780,000 330,893,480 <b>7,590,524,185</b> <b>1ENT</b> Funds Available 1,683,148,476 <b>1,683,148,476</b>
4	Timely and quality internal audit reporting  Timely and quality LG PAC reporting  Total  COMPONENT 6A: GOVERNANCE AND EXTERNAL ENVIRONS  Specific Result Area  Strengthen governance and institutional coordination for PFM  Total  COMPONENT 6B: PROGRAMME COORDINATION  Specific Result Area	5,049,433,205  182,780,000  330,893,480 <b>7,590,524,185 1ENT</b> Funds Available  1,683,148,476  1,683,148,476  Funds Available





## **ANNEX 1: PERFORMANCE ANALYSIS OF PROGRAMME OUTCOMES**

Actual FY16/17			13.8%					
Target FY16/17			13.4%	13.9%	5.83	7.56	0.36%	
Actual Targ			13%	13.5%	9	7.79%	0.3%	74%
Target Ac FY FY15/16			13.51%	13.8%	5.7%	7.2%	0.32%	87.12%
Actual Ta FY14/15 FY			13.0%	13.19%	%9	7.39%	0.32%	78%
			12.96%	13.2%	5.80%	7.20%	0.28%	88.00%
Baseline FY 13/14 Target FY14/15			11.93%	12.69%	2.68%	7.12%	0.27%	81.80%
Baseline			<u></u>	11.74%	5.19%	6.61%	0.19%	71.50%
Data Source			Back- ground to the Budget numbers@ budget (June)					
Performance Indicators	COMPONENT 1: MACROECONOMIC MANAGEMENT	S	Resource Inflows Domestic tax revenue as a % of GDP (excluding domesnoreased tic Oil and Gas revenues)	Tax Revenues as percentage of GDP (Incl 0il)	% of International trade taxes to GDP	% of Domestic Taxes to GDP	% of Non-Tax Revenue to GDP	% of National Budget funded from domestic revenue
Results Chain	COMPONENT 1: MAC	Final PFM Outcomes	Resource Inflows Increased	1 '				

Results Chain	Performance Indicators	Data Source	Baseline FY 13/14				Target		Target FY16/17		letho
					FY14/15	FY14/15	(0	FY15/16	) - - - 0 0		FY16/17
National Debt Sustained	Fiscal deficit as a percentage of GDP		-4.20%	7.6%?	-4.3%	4.50%?	-4.9%	%9.9-		-3.9%1	
	Total Public Debt Stock as a percentage of GDP		34.70%	36.0%	31.8%	36.40%	34.5%	36.8		35.4%	
	External debt stock / GDP		18.1%	22.4%	18.8%	23.0%	21.4%	24		21.8%	
	Specific Reform Objective	es (SROs)									
SRO 1.1: Improve the forecasting of macroeconomic aggregates	Difference (in percentage points) between GDP growth projections and actual GDP growth	Govern- ment Finance Statistics	0.8	0.80%	0.80%	0.3%	0.80%	0.4%	0.80%	9	1.1%
	Difference (in percentage points) between inflation projections and inflation (headline) outturn		0.5%	0.5%	0.1%	0.5%	1.1%	0.5%		0.3%	
SRO 1.2: Improve the quality of revenue forecasts and revenue monitoring and evaluation framework	% of revenue variance between original approved bud- get and actual out turn		6.86%	<b>0.5</b> %	1.60%	0.5%	3.38%	0.5%		0.5%	
SRO 1.3: Widen the tax base and improve tax administration	% of revenue realized from new measures against the set target		56%	86	77%	100	70.0%	100%	%		
SR0 1.4: Improve the quality and	No. of DPs submitting quarterly projected disbursement with 10th of the next quarter	Government Fi- nance Statistics	10%		50%	40%	40%	_	%09		
timeliness of reporting on ODA	No. of DPs submitting outturns by the 15th of the next month	Government Fi- nance Statistics	10%		20%	30%	40%	_	%09		
SRO: 1.5 Improve the quality and timeliness of debt analysis	Quality Debt Sustainability Analysis Report: Quality Medi- um Term Debt Management Report	Debt Analysis Reports (DSA and MTDM)	ס		_		_		-		

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Results Chain	Performance Indicators	Data Source	Baseline FY 13/14	4 Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17
Results	Performance Indicators	Data Base Source	Baseline FY 2013/14	Target FY14/15	Actual 5 FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17
Final Outcome				_	-				
Allocated funds	% of funds utilized against the funds released	Annual 88%	.0	%06	%96	95%	%96	97	98%
otilized as	% of funds released against originally approved budget	Budget 103%	%	95%	88%	92%	82%	100%	104
pianned	% of funds utilized against originally approved budget	rerror- mance 69%	,0	75%	%96	80%	94%	%88	101
Budget credibility,	Arrears as a % of total expenditures FY N-2	Report 7.0%	,0	2%	1%	3%	13%	2	10%
transparency and comprehensive-	Net Change in the Stock of Domestic Arrears (Billions of Ushs)	-500	0	-80	-177	-40	-40	-40	-110
ness with predict- ability and control in execution	Total value of supplementary appropriations as a % of approved budget	2%		<3%	4%	<3%	4.6%	<3%	3.09%
Specific Reform Objectives (SROs)	ectives (SROs)								
SR0 2.1: Improve	% of MDAs submitting budgets on time	Annual Budget Performance	erformance 100%	100%	100%	100%	100%	100	100
the timeliness and accuracy in bud-get preparation	% of LGs submitting budgets on time	Reports 38%		25%	100%	100		100	
SRO 2.2: Improve the timeliness and	% of MDAs submitting budget performance reports on time	45%	85%	%96	85%	%36		%06	
quality of budget analysis, monitor-	% of LGs submitting budget performance reports on time	92%	%08	%96	%08	%36		%08	
ing and evaluation		94%							
		95%							
		94%							

Results Chain	Performance Indicators	Data Source Ba	Baseline FY 13/14	Target FY14/15	Actual FY14/15	Target FY15/16	Actual FYI5/16	Target FY16/17	Actual FY16/17
SRO 2.3: Improve the timeliness and quality of project design, appraisal, monitoring and evaluation	%. of projects (unconditionally) approved by the devel- opment committee	Minutes of the Development Committee Meetings	ent 65%	81%	%08	85%	TBD		Novem- ber 2017
SRO 2.4: Improve the timeliness and quality of Public Private Partnership-based project designs in MDAs	%. of PPP projects (unconditionally) approved by the development committee	This was not a sufficiently crafted indicator quality of PPP. We are advised that the indicator should have targeted financial closure at least at intermediate level. In a Public Private Partnership (PPP) project, financial closure indicates the commencement of the Concession Period. The date on which financial closure is achieved is the appointed date which is deemed to be the date of commencement of concession period. In essence therefore, it is key to note that PPP approval by PPP committee is not sufficient to adjudge PPPs as quality.	rcrafted indicato intermediate lev ine Concession Pe e date of commi nmittee is not su	r quality ol rel. In a Pul rriod. The o encement ifficient to	FPPP. We. blic Private date on wh of concess adjudge P	are advised Partnershi iich financis sion period. PPs as qual	that the inp (PPP) properties in closure is In essence ity.	dicator should have tar oject, financial closure s achieved is the appoi s therefore, it is key to	rgeted fi- indicates nted date note that
COMPONENT 3A: F	COMPONENT 3A: FIDUCIARY MANAGEMENT SYSTEMS IN CENTRAL GOVERNMENT	1ENT							
Results	Performance Indicators	Data Source	Baseline FY 13/14	Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17
Final Outcome									
Improved com- pliance and	% of clean audit reports (CG)	Annual OAG Reports	28%	62%	%02	%99	79%		Decem- ber 2017
Accountability	% of clean audit reports (Statutory bodies)	Annual OAG Reports	41%	64%	61.8%	%99	%82		Decem- ber 2017
Improved Value for Money in Pub- lic Procurement	% of contracts audited (by value) rated satisfactory	VFM Audit reports	Reportec	Reported under Public Procurement	blic Procui	rement			
Specific Reform Objectives (SROs)	jectives (SROs)								

Results Chain	Performance Indicators	Data Source	Baseline FY 13/14		Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17
SRO 3.1: Improve the timeliness,	% of MDAs submitting financial reports on time (3 months after end of FY) - IFMS/Tierl	Annual Statutory Financial Reports	ncial 85%		100%	27%	100%	100	100	100
quality and com- prehensiveness	% of Foreign Missions financial reports on time (3 months after end of FY) - Microsoft Navision	Annual Statutory Financial Reports		96.97%	100%	85.7%	100%	100	100	100
or rinancial re- porting by Central Government entities	% of MDA and PUSATI financial reports in compliance with Public Finance and Accounting Regulations	Annual Internal Audit/Inspec- tion Report	'Inspec- 58%		62%	70%	%99			IA Sep- tember 2017
	% of MDAs ( excluding DFPs) Budget executed using automated Financial Management Systems (IFMS, CEMAS & Microsoft Navision)	National Budget Book	%66		100%	%66	100%	%66	100	66
SRO 3.2: Improve cash manage- ment	% Variance between Annual Cash Forecasted and Cash Released from the National Budget	Annual Cash Forecasts/IFMS	,/IFMS N/A		N/A	N/A		4.15% exclude direct project dis-burse-ment by DPs		
SRO 3.3: Harmo- nize PFM Legal	New Public Finance Law enacted by FY2014/15	Publication of the Law	1	<u> </u>		_	2%	-		
Framework	New PFM Regulatory framework by FY2015/16	Publication of the Regulations	ulations -					-		
SR0 3.4: Institutionally strength	National Public Procurement Policy Issued by FY2014/15 % of Contracts with complete records	Publication of the Policy Public Procurement Measure-		vided th	Provided the PPDA Section	section				
en the Public Procurement Function	% of contracts completed within the original contract time	ment System (PPMS) Public Procurement Measurement System (PPMS)	easure-							
COMPONENT 3B: PA	.L. PENSIONS AND HUMAN RESOURCES MANAGEM	ENT	_							

Results Chain	Performance Indicators		Data Source	Baseline FY 13/14	Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17
Results	Performance Indicators	Data Source		Baseline FY13/14	e Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16		
Final Outcome										
Improved com-	% of clean audit reports (CG)	Annual OAG Reports		To be re	ported un	der the Ext	ernal Overs	ight Compi	To be reported under the External Oversight Component Section	
pliance and	% of clean audit reports (LG)	Annual OAG Reports								
Accountability	% of clean audit reports (Statuto-ry bodies)	Annual OAG Reports								
Specific Reform Objectives (SROs)	yjectives (SROs)									
SRO 4.1: Timely and Accurate GoU Payroll and Pen-	% variance in LGs between Wage Value processed on IPPS and that paid on IFMS	IPPS and IFMS (AGO) records 20	records	30	10	10	0	2	·	0
sions Processing and Payments	% variance in MDAs between Wage Value processed on IPPS and that paid on IFMS	rv s c		-	0		0			
	Number of months in which all MDAs and LGs effected salary payments by 28th of the month	o – 6 G		15	27		22			
		12								
COMPONENT 4A: P	COMPONENT 4A: PUBLIC PROCUREMENT									
Results	Performance Indicators	Data Source		Baseline FY13/14	Baseline Target FY13/14 FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17
Final Outcome										

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Results Chain	Performance Indicators	Data Source	Baselin	Baseline FY 13/14	Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17
Value for money in public procure- ments increased	% of Entities rated satisfactory from procurement audits % of contracts audited (by value)	PPDA Annual Procurement Audit Reports 28.5	Reports	29 96	43	23	45 95.1	80	50	76.7
	rated satisfactory % of contracts delivered within contract value (no variations)	- 60 55 72 100 44		66.39	100		75.6			
Specific Reform Objectives (SROs)	ojectives (SROs)									
SRO 5.1: Compliance with public procurement	% of contracts subjected to open competition (by contract value) above national threshold	Public Procurement and Measurement System (PPMS) reports and Follow up Reports	nent System orts	88	100	47	100	45.5	100 71.8	
Legal and regula- tory frameworks improved	% of Entities submitting procurement plans on time in prescribed format.	96 100		81	100	TBD				
	% of Procurement audit and investigations recommendations implemented by Entities	68 100		55	85	7				
		77								
		80								
		85								
		55								
COMPONENT 4B: IN	COMPONENT 4B: INTERNAL OVERSIGHT									

Results Performance Indicators			Data Source	Baseline FY 13/14	Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17		Actual FY16/17
	lndicators	Data Source		Baseline FY 13/14	Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17	/17
ome rtation I audit ndations	% of internal audit recommenda- tions in MALGs implemented	Annual consolidated Internal Audit report	nternal Audit report	28%	72%	63.3%	75%	%2'99	75%	69.2%	
Increased Specific Reform Objectives (SROs)											
SRO 6.1: Improved % of Internal a timeliness and mitted to stake quality of internal	audit reports sub- eholders within the iod (August N-Y)	Annual consolidated Internal Audit report TBD	nternal Audit report	180	95%	%09	100%	100%	100%	100%	
	-ر rds آر	100% 100%		100%	100%	100%					
Committee rec- ommendations % of MDAs audited by IIA		0/00/1		100%	100%	100%					
	% of Internal Audit Sectoral committee reports issued during the year	18D 100% 100%		100%	%001	100%					
		100% TBD									
		100%									
		75%									
		100%									

Results Chain	Performance Indicators	Data Source	Baseline FY 13/14	4 Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17		Actual FY16/17
Results	Performance Indicators Da	Data Source	Baseline FY13/14	ne Target 14 FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16			
Final Outcome										
Improved compliance with accountability rules and regulations	% of external audit recommendations implemented by MDAs and LGs	by Annual Report of the Auditor General	Auditor 28	40		45%	25²		Due December 2017	. 2017
Specific Reform Objectives (SROs)	jectives (SROs)									
SRO 7.1: Improve the timeliness and	% of external audit (both LG and CG) reports submitted to Parliament within the statutory period	ed Annual Report of the Auditor General	suditor 67	92	96	95	69	95	88	
quality of external audit reporting and follow-up of recommendations	% of entities audited against plan	100	100	100	84	100	93.9 93.9	o;		
	% of sampled external audit reports complying with ISSAIs	Annual 0AG Post Issuance Review Report	nce 50	09		80	55	90	61	
	Questionable expenditure as a percentage of total GoU expenditure	U Extracts of the summary of key findings in the Annual Report of the Auditor General	ıry of 8.9 nual 3eneral	7.5	9	6.1	4	4.5	O	
COMPONENT 4D: LE	COMPONENT 4D: LEGISLATIVE OVERSIGHT									
Results	Performance Indicators	Data Source	Baseline FY13/14	ne Target 14 FY14/15	Actual FY14/15	Target FY15/16	Actual FY14/15	Target FY16/17	Actual FY16/17	
Final Outcome										

rforman	Performance Indicators	Data Source	Baseline FY 13/14		Target FY14/15	Actual FY14/15	Target FYI5/16	Actual FY15/16	Target FY16/17	716/17	Actual FY16/17
No of financial reports of the Accountability Committees adopted by Parliament and submitted to the Executive as % of reports tabled in the plenary	bility Committees to the Executive	Parliamentary Records, Annual Government Performance Report, Annual Reports of the	s, Annu- 65% mance s of the		%02	20%	75%	%08	%08	%08	
No. of VFM reports adopted by Parliament and submit- ted to the Executive as % of reports tabled in the plenary		Auditor General 65% 70%	20%		75%	%08	%08	No VFM handled as most of the time was spent in induction and building the capacity of new MPs to handle VFM reports.	nandled softhe spent on and the ca- new MPs		
% of Treasury Memoranda audited by 0AG against one issued			0	4	40%	0	20%	No treasury memorandum issued within the reporting period	ury ndum thin the period		
% of actions taken reported in the treasury memoranda in line with the Parliamentary resolutions.	_	- 20%	·	7	40%	%09	20%	No treasury memorandum issued within the reporting period	ury ndum thin the period		
Average satisfaction rating from an annual sample of key informants on the quality and impact of parliamentary actions	ample of parliamen-		·		%0%	0	%06	Not conducted	ucted		
Specific Reform Objectives (SROs)											
% of Budget committee reports submitted within the statutory time		Parliamentary Records		100%	100%	100%	100%	100%	100%		
% of financial and VFM audit reports scrutinized by Parliamentary Accountability Committees within the statutory period	a	65% 70%	20%		75%	20%	%08				
COMPONENT 5: PUBLIC FINANCIAL MANAGEMENT IN LOCAL GOVERNMENTS	ERNMENTS										

Results Chain	Performance Indicators	Data Source	Baseline FY 13/14	Target FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17		Actual FY16/17
Results	Performance Indicators	Data Source	Baseline FY 13/14	e Target 4 FY14/15	Actual FY14/15	Target FY15/16	Actual FY15/16	Target FY16/17	Actual FY16/17	7
Final Outcome			-		-					
Resource inflows increased in LGs	Rural local Government local Revenue as % of LG Bud- gets	LG Audited Final Accounts 20%	unts 3%	2%	2.1%	10%	4%	20%	Audited Final ac- counts in February 2018	lac- oruary
	Urban local Government local Revenue as % of LG Budgets	25%	8.4%	30%	17%	35%	Audited Final accounts February 2018	inal February		
Improved com- pliance and Accountability	% of clean HLG audit reports	Annual OAG Reports	37%	45%	%69	20%	85.7%	55%	Due December 2017	ber
Specific Reform Objectives (SROs)	jectives (SROs)									
SRO 9.1: Improve revenue planning	% of revenue variance between approved budget and actual outturn for LGs	LG Audited Annual Final Accounts	J3%	75%	%92	%08		85%		
and analysis in LGs.	% of actual transfers to LGs compared to transfers budgeted	MoFPED Background to the Budget	o the 97%	100%	100%	100%	100%	100%	100%	
SRO 9.2: Improve financial reporting	% of HLGs submitting financial reports on time (within 3 months after end of FY)	0AG Annual Reports	100%	100%	100%	100%	100%	100%	Due Dec 2017	December
in LGs	% of clean HLG audit reports	37% 45%	%69	20%	85.7%	25%	Due D 2017	December		
SRO 9.3: Improve the timeliness and quality of internal auditing	% of LGs submitting quarterly IA reports on time	MOLG Inspection Reports 50%	rts 60%	70%	%29	%08	20%	%06	%09	
SRO 9.4: Improve the timeliness and quality of report- ing by LGPACCs	% of LGPACs submitting quarterly reports to their councils	%09	40%	%0%	40%	%08	55%			



# ANNEX 2: DETAILED COMPONENT PERFORMANCE ANALYSIS FY 2016/17

## COMPONENT 1: MACROECONOMIC MANAGEMENT COMPONENT 2: BUDGET PREPARATION AND MONITORING

Major Activities	Sub-Activities	Performance in FY16/17	Comments for variance
02.03 Support design of the Programme Based	02.03.07 Conduct stakeholder workshops on Programme Based Budgeting (200 pax)	Workshop on PBB was conducted for selected MDAs and Budget Directorate Staff at UMI	Roll out of PBB/PBS to Ministries, Depart- ments and Agencies (MDAs) in October 2016
Budgeting framework across MDAs and LGs.	02.03.05 Align the PBB framework to the Public Finance Act 2015		
	02.03.06 Develop user guide for PBB system		The Draft User Guide/Manual for Budget Planning (BFP preparation) and Quarterly Reporting for Central Government Votes was completed. Pending final approval.
02.08 Functional and technical support for budget preparation.	02.08.01 Technical support to budget Preparation and Monitoring	Remuneration for support to budget preparation duly remitted. In addition, capacity building on Project Planning & Implementation was conducted for Budget Directorate Staff at UMI	
02.17 Develop capacity of the directorate in Public Private Partnership (PPP)	02.17.01 Undertake a consultancy to develop a framework for PPP	Intervention reprioritised. Contract has since been signed to consultancy to develop National Parameters for Project Appraisal on 19 April 2017.	GoU in collaboration with the World Bank undertook diagnostic assessment of the current Public Investment system proposed the development of the national parameters to support project appraisal. This took precedence over the initial proposed activity.

# COMPONENT 3A: FIDUCIARY MANAGEMENT SYSTEMS IN CENTRAL GOVERNMENT

Major Activities Sub-Activities	Performance during FY2016/17	Comments for variance	
03.01 Support implementation of PFM systems: Including IFMS tier 1 solution to CG sites	03.01.06 Provide technical support to PFM reforms imple- mentation	Technical support team continued to support IFMS, TSA, PFMA & PFMR implementation, Procurement Policy and ICT technical support, Coordination and TA on CG PEFA 2016	To extend TA on design of next phase of the PFM reforms
03.01.04 Oracle 2nd Level Support; Consultancy services for IFMS Application, Database	The PFM systems support office facilitated during the reporting period	There have been instances where technical support teams travelling to the field have failed to secure operational vehicles, the current IFMS vehicle fleet needs to be replaced given the increased number of sites.	
FY2015/16 – 33 sites	Oracle continued to provide 2nd level IFMS support, issue resolu- tion at IFMS sites and knowledge transfer to GoU staff:	Plan to set up master data and enforce usage of Accounts receivable module in MDALGs	
	Oracle payments- conducted both functional and business UAT Activated Invoice Approval Hierarchy for the 8 rollout LG	Oracle payments Go live in Qtr 4 100% of MDA & DFPs on IFMS are now covered	
	Contract for 33 sites finalised during the year.  The 7 remaining sites handed over to GoU		
	Contractor providing maintenance support for the next 3 years following deployment of ICT infrastructure and civil works at 33 sites		
	03.01.05 Consultancy for devel- oping an Electronic Data Archival and retrieval system	LPO issued for delivery of Electronic Data Archival and retrieval system	Implementation delayed due to storage capacity which has now been addressed

Major Activities Suk	Sub-Activities	Performance during FY2016/17	Comments for variance	
		03.01.06 IFMS Training, onsite support and Change Management	Issued 670 IFMS User Manuals Conducted user training for 19 Municipal Councils(LGs) Conducted Oracle payments training for IA, DFPs and MDALGs: 30th Mar -3rd April	
		03.01.07 Rollout of IFMS to additional 8 new votes/Sites	IFMS Go live at 8 out of 10 batch 1 LGs, Completed civil works in 5/19 sites	Go live date extended to 1st July 2017 due to transaction data migration challenges
		03.01.08 DFPs connected on IFMS	Completed System configuration for the 12 UNRA DFPs Conducted an IFMS DFP review with stakeholders Continued to support the existing 25 projects on IFMS	Otr 4 – plan to conduct end user training and set up additional DFPs for IFMS implementation
		03.01.09 Extend Non-Current Assets module to all C6 & L6 Tier 1	Continued to support 50 sites using the Non –currents asset management module Fixed asset management (FAM) module rolled out to 7 MDAs and Referral Hospital (RF, FIA, UEPB, MoFPED and OPM) Worked with UNRA on definition of Inventory module requirements as part of IFMS enhancement	For all new IFMS sites, the FAM is enabled at go- Live.
03.03 Enhancement of the Data Centre	0	03.03.01 Minimal enhancement of the data centre capacity	Begun Procurement on enhancement of the data centre Finalised evaluation and draft contract submitted to SG for approval	Contract commencement – Qtr 4
03.03 Establish IFMS/IPPS regional centres	ntres	03.03.02 Support for operationalization of regional centres	Continued to support the 8 regional centres Salary processing, warranting and training also being carried out at the regional support centres Contract for refurbishment of 10 regional centres initiated. This is intended to enhance the operations of the support centres	To set up 2 additional centres in Kabarole and Soroti

Major Activities Sub-Activities	Performance during FY2016/17	Comments for variance	
03.02 IFMS systems security and capacity Development in quality assurance strengthened	of 3.02.01 procurement of system security tools, GRC, Audit Vault and related capacity	Consultants  One techno-functional consultant providing TA  Procurement on going for Security expert  GRC  All the four GRC modules (AAGC, CCG, TCG and PCG were fully implemented and in use. Issued completion certificate  Audit Vault  Performed final UAT and tool is in use	Fine tuning, roles and alert configuration – Qtr 4
0.3.07 Support implementation of CEMAS solution to 3 PUSATIs	3 03.07.02 Implement CEMAS solution to MUBS, MUST and MUK	Review of processes and resolution of implementation issues carried out at MUST Completed all IFMS functional set up and data migration for 5 PUSATIs and conducted pre go live change management sessions Go live of IFMS at 5 PUSATIs	Reviewing of options to address emerging implementation challenges Continue to support IFMS go live to other PUSATIs
03.03 Implementation of the PFM Act 2015	03.13.01 Dissemination of PFM regulations & development of Treasury Instructions and	Held a working retreat to finalise review of the Treasury Instructions from 23-24th Feb 2017 Consultant worked with various directorates to finalise pending issues on the TIs Submitted final draft of Treasury Instructions and report of issues for management's attention	QTR 4 – finalise Quality assurance of the document and related printing
	03.13.02 Strengthen Inspection Function under AGO 03.13.02 Capacity Development for AGO staff	Finalised the Inspection Manual and undertaking a quality assurance Sponsored staff for ESAAG conference between 27th Feb to 3rd March 2017	To print and disseminate manual Training of PFM staff in MDAs – Qtr 4 ACOA & ICGFM conference – QTR 4
3.16 Implement TSA framework for remaining CG and LG entities	03.16.01 TSA framework for remaining LG Tier 2 and DFPs implemented		Continued to support LGs on TSA

Major Activities S	Sub-Activities	Performance during FY2016/17 Comments for variance	Comments for variance	
03.18 Conduct a sensitization workshop for stakeholders	op for stakeholders	03.18.01 Sensitization workshop for stakeholders on the public	National Public Sector Procurement Policy is before Cabinet	Expected to be presented on 24th May 2017
			First discussion of policy held on 29th March 2017, issues highlighted were incorporated and an addendum sub- mitted to Cabinet for consideration and approval	
3.19 Implementation of the National Public Procurement Dissemination of the National Policy	ublic Procurement	Dissemination of the National Public Procurement Policy and	Begun work on Amendment of the PPDA law	Pending approval of NPSP Policy
		development of implementation strategy	Development of local content strategy – reservation and preference schemes guidelines issued	
03.19 Spend Analysis undertaken in Key selected PDEs	ey selected PDEs	03.19.01 Consultancy in Spend Analysis undertaken in Key selected PDEs	Finalised report on spend analysis issued	Need to extend spend analysis to 5 more agencies to get a better repre- sentation of GoU spend & build GoU
				capacity for subsequent analysis.

### COMPONENT 3B: IPPS PROGRESS REPORT

Major Activities	Sub-Activities	Performance during Fy16/17	Comments for variance
04.05 Functional and technical support to IPPS	04.05.06 Provide technical support to PFM reforms in IPPS	Done. Functional and Technical support provided to the 125 votes in processing of Salaries, Pension and Gratuity payroll payment files.	
04.11 Undertake Electronic Document management system (EDMS) indexing & digi- tisation of decentralised	04.11.06 Scan, index, digitise 153,293 decentralised pension files (207 votes) and maintenance of EDMS & link it to the payroll	Done. 109,000 pension and gratuity files under MoPS custody were scanned, indexed and uploaded onto the EDMS. End users from 253 votes were trained on access and usage of the scanned pension and gratuity files through the IPPS via the EDMS link.	
pension files	04.11.05 maintenance of EDMS & link it to the payroll		
04.04 Operationalize the Regional Support Centres	04.04.02 Undertake monthly payroll and pension technical and functional support to the Regional Support Centres	Done. One additional Regional Centre at Moroto has been setup and is now fully operational to serve the Karamoja sub-region.	
		Technical and Functional support to the 11 Regional Support Centres undertaken. The 11 RSCs supported are: Moroto, Jinja, Mbale, Soroti, Gulu, Arua, Hoima, Masaka, Mbarara, Bushenyi and Kampala.	

Major Activities	Sub-Activities	Performance during Fy16/17	Comments for variance
04.07 Training of staff and activity based refresher training for Users of the system	04.07.02 Conduct activity based training for 10 staff in payroll & contract management	Done. Functional and technical training was conducted for Payroll and Pension managers from the 27 newly created votes on payroll processing and realignment from payrolls of mother votes.  Further capacity building of 140 officers in 28 votes conducted.	In addition, MoPS rolled out the IPPS to additional 28 votes, making a total cumulative of 146 votes.
04.06 Payroll update and clean up undertak- en and capacity of end users in decentralised payroll and pensions management strength- ened	04.06.02 Implement 0AG biometrics payroll audit recommendation prior to integration	Done. Biometrics Payroll data for 307,427 Public Officers matched with National Identification Register and assigned National Identification Number (NIN) on GoU payroll.  The 4664 records that did not match will be forwarded to respective votes for scrutiny and clarification.	Efficiency gains as a result of the clean up was 24.6bn in FY16/17 20pgains:26,604,145,519/= will be realized as a result of Biometrics Payroll validation and clean-up.
04.12 Undertake integration of IPPS with National IDs (functional and technical support for biometric payroll system)	04.12.01 Undertake integration of IPPS with National IDs (functional and technical support for biometric payroll system)	Not done.	Procurement for the upgrade of the IPPS to accommodate additional fields of OAG biometrics data is being undertaken by NITA-U. Solicitor General initially turned down clearance of the contract. Further engagements ongoing.
04.03 Strengthen capacity of end users in MDAs and LGs in de- centralised payroll and pension management in 207 votes for Account- ing Officers and HR0s	04.03.04 Strengthen capacity of end users in MDAs and LGs in decentralised payroll and pension management in 207 votes for Accounting Officers and HROs	<ul> <li>a) Training and Capacity building on use of the electronic pension files on EDMS undertaken for 235 votes.</li> <li>b) Of the three votes trained for piloting Full Decentralization, Ministry of Defence has fully implemented the initiative. Police and Prisons yet to implement;</li> <li>c) Additional 57 Central Government votes including Regional Referral Hospitals were trained on Full Decentralization of Pension and Gratuity Management processes.</li> </ul>	

### COMPONENT 4A: PUBLIC PROCUREMENT

Major Activities	Sub-Activities	Performance during Fy16/17	Comments for variance
06.04 Amend the PPDA LG regulations	<b>06.04 Amend the PPDA LG</b> 06.04.01 Print the amended LG regulations, guidelines and SBDs	The Authority through a multi-agency working group prepared the proposed amendments to the LG (PPDA) Regulations to align them with the Amended PPDA Act. The proposed amendments have been forwarded to the First Parliamentary Counsel for Drafting. The review process is expected to flow into the next financial year FY17/18.	The amended LG regulations are still with the FPC for drafting.
	06.04.02 Standard Bidding Documents/User Guides and Guidelines	Awaiting the finalisation of the Regulations so that the update of the User Guides and Guidelines can commence.	Awaiting the finalisation of the Regulations so that the update of the User Guides and Guide- lines can commence.
	06.04.03 stakeholder consultations on the SBDs	Supported Stakeholder consultations on the Standard bidding documents and remuneration for technical support to PFM reforms in public procurements.	The mainstreamed implementation modality of the programme is the end that initiation of work plans is anchored in the Components.
06.06 Roll Out of E-Learning Systems in PDEs	O6.06 Roll Out of E-Learning O6.06.03 Support the establishment of the Systems in PDEs procurement e-learning system	Officially launched the e-learning platform on 28-31 March 2017 and trained 50 Entities (30 CG and 20 LG) on its application and use. 123 users are enrolled on the system attending various modules.	More Entities will be urged to embrace use of the platform for their capacity needs.
06.07 Undertake procurement audits in selected entities	<b>06.07 Undertake procurement</b> audits in selected entities the recommendations of procurement audits	The Authority conducted follow up activities in 33 Procuring and Disposing Entities (PDEs). A total of 313 recommendations were reviewed of these 70% were implemented and 35% of the recommendations were either partially implemented or not implemented.	The majority of the unimplemented recommendations relate to contract management and the use of the Government Portal.

Major Activities	Sub-Activities	Performance during Fy16/17	Comments for variance
06.08 Review public procurement compliance monitoring, reporting and enforcement mechanisms/	06.08.04 Consultancy to prepare/update a procurement compliance monitoring, reporting and enforcement mechanism	A consultancy was done to study the causes of poor compliance by Entities to the existing legal and regulatory framework for public procurement. The final report was validated and discussed by the PPDA top management.	
framework	06.08.05 Consultancy to prepare/update compliance monitoring, reporting and enforcement mechanism		All these activities have been scheduled to be implemented in FY 2017/18 where funds have been earmarked.
	06.08.06 Design and print 100 copies of the framework/guidelines	Stakeholder consultations ongoing	The activity will be implemented after the final report has been submitted.
	06.08.07 Undertake training and follow up of poor performing entities to help them im- prove their procurement practices	06.08.07 Undertake training and follow up 1584 participants were skilled against a target of 1777 in the Additional Funding is required to scale up the of poor performing entities to help them im-various training activities organised by the Authority during the trainings prove their procurement practices	Additional funding is required to scale up the trainings
06.11 Provide technical support to PPDA	06.11.01 Provide technical support to PFM reforms in public procurements	<b>06.11 Provide technical support</b> Oct. 101 Provide technical support to PFM retechnical support to PFM retechnical support to PDDA  The GPP would be replaced with the EGP by forms in public procurements  The GPP would be replaced with the EGP by a procurements	The GPP would be replaced with the EGP by July 2018

#### **COMPONENT 4B: INTERNAL OVERSIGHT**

PPDA has also continued to implement the activities that lead

to the attainment of eGP. Below is the road map

Major Activities	Sub-Activities	Performance during FY2016/17	Comments for variance
<b>07.01 Enterprise Risk Assessor system rolled 07.01.03</b> ERA software maintenance and support costs to utilise the software.	07.01.03 ERA software maintenance and support costs to utilise the software.		Support and maintenance costs not yet paid pending finalization of the support and maintenance contract.
07.02 Develop performance audit selection strategy	07.02.03 Undertake a study to develop performance audit selection strategy	<b>07.02 Develop performance audit selection</b> 07.02.03 Undertake a study to develop Draft strategy and is yet to be discussed.  performance audit selection strategy	
<b>07.06 Twin with a reputable firm or institu-</b> 107.06.03 Conduct quality tions to undertake performance and IT au- on 6oU on IT systems dits and other capacity building of staff.	07.06.03 Conduct quality Assurance on GoU on IT systems	Assurance The activity is ongoing. Eight (8) entities COMPLETED in q4	

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07.08 Development of a Risk Management strategy and forensic audit guidelines, man- uals and operating procedures.	07.08.02 Undertake consultancy to develop a risk management strategy and forensic audit guidelines		Submitted draft contract to SG for clearance. Contracting expected by end of May 2017. Funding for current financial year was confirmed but activity will be a multiyear activity to be complete next FY17/18.
07.09 Acquire and procure IDEA licences and related functional training	07.09.02 Procure upgraded IDEA software licences and undertake consultancy to train staff in data analytics	O7.09.02 Procure upgraded IDEA soft- ware licences and undertake consul- tancy to train staff in data analytics  cxam for 10 Officers, certified IDEA scripting Expert exam for 10 Officers.	
07.15 Support to 14 sectoral Audit Committees : Retainer fees, sitting allowances and Conduct functional training for members of audit committees	07.15.02 Payment of retainer fees, sitting allowances and holding training seminars for audit committee members	Retainer fees paid up to Q3.  48 Audit Committee members attended the Board Audit Committee breakfast on 4/04/17.  Request for field inspections for 5 local Government Audit Committees submitted to FINMAP for processing Request for payment of sitting allowance arrears sent to FINMAP for processing.	Payment of pending requests is awaited to enable members undertake field inspections and also access arrears of sitting allowances.
<b>07.23 Quality assurance review on Internal Audit reports to determine the status of</b> implementation by the Accounting Officers on the recommendations made in previous years' reports, undertake In- spections to follow-up and validate of spections to follow-up and validate of implementation by the Accounting Officer's responses years' reports in line with the PFM Act.	07.23.01 Review reports, undertake Inspections to follow-up and validate of Accounting Officer's responses	Done. The list of eligible Accounting Officers was forwarded to PS/ST for re-appointment for FY2017/18	Activity was undertaken in Q3

#### COMPONENT4C: EXTERNAL OVERSIGHT

Major Activities	Sub-Activities	Performance during FY2016/17	Comments for variance
08.08 Construction of two regional offices	08.01.01 Supervision of Hoima regional office by consultant (construction and supervision in FY 16/17)	Construction supervision is on-going. Overseen by the consultant (M/S Arch Design LTD)	
	08.01.02 Supervision of Moroto regional office by consultant (construction and supervision in FY 16/17)	Activity is pending construction works	Due to delayed procurement process, the ground breaking ceremony was held on 1st June 2017
	08.08.12 Construction of the 0AG Hoima regional office	Construction of the first floor underway (column works, form work for the roof and ring beam) while finishes were being done on the Gate house.	
	08.01.12 Construction of the OAG Moroto regional office	Site mobilisation was done by the contractor.	Due to delayed procurement process, the ground breaking ceremony was held on 1st June 2017
	08.01.02 Supervision by In-house project team for construction works on the Hoima regional office	The in-house project management team held 2 site meetings and 3 site inspections.	
	08.01.13 Supervision meetings by in-house project team for construction works on the Moroto regional office	Activity is pending construction works.	
	08.01.14 Procurement of Furniture for offices and staff quarters	Bids validity was extended to harmonise delivery with construction schedules	Delayed construction/procurement for Hoima and Moroto offices has made it a challenge to deliver equipment
	08.01.15 Procurement of ICT installations for Moroto and Hoima	Bids validity was extended to harmonise delivery with construction schedules	Delayed construction/procurement for Hoima and Moroto offices has made it a challenge to deliver equipment
	08.01.16 Procurement of Hybrid solar installations	Activity is pending construction works	The activity was catered for in the construction tender for both Moroto and Hoima.
	08.01.18 Procurement of Field motor vehicles	Contract was awarded	Delivery is expected in August 2017
	08.01.19 Relocation costs	Activity is still pending construction works of Hoima and Moroto regional offices	Activity to be done after construction.
08.02:Management Information system procured, installed, tested	108.02.01:Developing specifications for MIS and re- lated applications  tested  THE THERE ENABLED AND ACCOUNT BRILLY PROGRAMME (FINNARD III) ANNUAL PROGRESS REPORT FOZGISCT	The Business Process Re-engineering (BPR) consultant conducted the first phase BPR workshops (Phase 1of "as-is") and produced a draft report which is being reviewed by 0AG.	The BPR consultant is expected to come back on 8 <sup>th</sup> August 2017 to conduct Phase 2 ("To be"). Results of the BPR will inform the specifications for the MIS.

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Major Activities	Sub-Activities	Performance during FY2016/17	Comments for variance
<b>08.03: Functional and user</b> 08.03.01:Train staff on use c support in the Management information system system procured	08.03.01.Train staff on use of the Management information system(30 staff)	08.03:01:Train staff on use of the Management in-support in the Management informationActivity still pending procurement of Management informationsystemSystemprocured	
08.05: Staff supported for professional certification courses	pported for certification         08.05.01:Undertake professional training courses           certification         ACCA, CISA, CIPFA, CFA	08.05: Staff supported for professional coursesSubstraction professional coursesSubstraction coursesSubstraction coursesSubstraction coursesSubstraction coursesSubstraction coursesSubstraction coursesSubstraction coursesSubstraction coursesSubstraction courses	
08.06:Financial and performance audit Tools	08.06.16:Procure an assortment of engineering audit tools	<b>08.06.Financial and perfor-</b> 08.06.16:Procure an assortment of engineering Assortment of engineering audit tools were delivered in 0.3	
	08.06.17:Engineering software procured	Activity pending	To be done in FY 2017/18

### COMPONENT 4D: PARLIAMENTARY OVERSIGHT

Major Activities	Sub-Activities	Performance during FY2016/17	Comments for variance
09.05 Develop and Operationalized a Parlia- mentary Information Management System	09.05.01 Procure hardware and software for the system.	Procurement of the second phase of the hardware was initiated during the quarter, bidding closed on 3 <sup>rd</sup> April, 2017. Contracting expected by Mid May. 2017	
		First Phase of hardware and software to support the Parliamentary Information Management system was delivered and installed.	
09.06 PFM modules updated and manuals developed	09.06.03 Undertake printing and dissemination of PFM modules.	Procurement of three (300) copies of each of the seven (7) PFM modules was initiated in the quarter. Evaluation report pending approval of the contracts committee.	The activity had to wait for approval of rules of procedure of the 10th since it's the guiding tool for Parliament. Once approved, the PFM modules would then be undated, printed and
		Contracting expected by mid-may, 2017.	disseminated.
09.07 Digitalise the IPS program for easy and continuous access by MPs and other stakeholders	09.07.01 Development of a micro-website for IP	The development process of the Micro Website of IPS was finalised.	The website is up and running and can be viewed in some offices like the IT office and the Library. Full content upload is expected
			by May 2017

### **COMPONENT 5: PFM IN LOCAL GOVERNMENTS**

Major Activities	Sub-Activities	Performance as at quarter 3	Comments for variance
05.02 Capacity of revenue units strengthened	05.02.03 Procure laptops and printers for the automated Tax information system for 30 LGs	Done. Delivered to local governments	
05.03 Enhance IT capacity at LGFC for centralised storage of the automated Tax information system	05.03.04 Enhance IT capacity at LGFC for centralized storage of the automated Tax information system		
An automated tax information system implemented in LGs	stem implemented in LGs		
<b>05.04 Develop a database for</b> all potential revenue sources software, for the automated tax in selected LG information system in 30 LGs	05.04.02 Procure computer software, for the automated tax information system in 30 LGs	Partial delivery made. Final delivery to be made 31 April 2017	
05.29 Support automated tax information systems established in 30 LGs	05.29.01 Undertake 3 day field visits to train staff on the automated tax information system rolled out to 30 LGs		
Simplified, transparent and equitable transfer formulae for LG's developed	able transfer formulae for LG's o	developed	
05.07 Review the allocation of national aggregate revenue between the central and local governments and design new Fiscal Decentralisation Architecture	05.07.05 Undertake consultancy to review the fiscal decentralisation Architecture and determine the share of LG transfers out of the national budget	Draft contract pending SG approval.	The bid evaluation could not produce the best bidder as none qualified. New procurement kicked off in Q3.
Timely and quality Financial performance reporting in LGs	formance reporting in LGs		
LG financial management regulation revised	ion revised		

Major Activities	Sub-Activities	Performance as at quarter 3	Comments for variance
05.10 Develop simplified LG Financial management guidelines	05.10.01 Develop simplified guidelines in budgeting, accounting and reporting for LLGs and service units (incl. secondary schools, hospitals and health units	simplified Contract signed on 8th February 2017 and inception budgeting, report received. The Consultant ABS Consulting Group orting for was engaged, commenced on the Assignment and nits (incl. Submitted an Acceptable Inception Report primary	The evaluation of the bids was delayed because one of the evaluation committee members resigned and left the Project.  Next reporting period:  Finalize the Development of the Guidelines and  Test the guidelines in selected LG Service Units  Training of Trainers  Print the Guidelines
	05.10.02 Provide technical backstopping to the development of the simplified guidelines	<ul> <li>A GoU Task Force was appointed to backstop the consultant composed of officials from: MoLG, AGO/MoFPED, MoES and MoH</li> <li>Task Force held consultative meetings with the consultant, reviewed and cleared the draft inception report</li> </ul>	Next reporting period: The Backstopping Team will continue reviewing the outputs of the consultant and will participate in the testing of the draft guidelines in the fields and also in the training of trainers
	05.10.03 Printing of Simplified Guidelines		Printing pending completion of the guidelines
05.12 Finalise development of Guidelines in the Application of the LGFAR & LGFAM	G5.12 Finalise development of G5.12.0 Review, and amend Guidelines in the Application of financial and accounting regulation manuals and guidelines and conduct training of trainers in line with new PFM law	The draft guidelines were tested in four (4) Local Governments namely: Entebbe MC-Division A, Buyende District, Oyam District and Kamwenge District.	Next reporting period:  Train Trainers  Finalize and Print the Guidelines
5.4 Improved timely & quality accounting & reporting	ccounting & reporting		
IFMIS Tier 2 solution rolled out t	IFMIS Tier 2 solution rolled out to 16 LG sites under current contract	act	

Major Activities	ities	Sub-Activities	Performance as at quarter 3	Comments for variance
05.15 P <sub>1</sub>	rovide techn	<b>05.15 Provide technical</b> 05.15.01 Final Balance on Tier Final	Final balance made.	In 01, Provided on site functional and IT support to 16 Phase 2
post-imple to the LGs (	post-implementation supp to the LGs (tier 2 solution)	to the LGs (tier 2 solution)       implementation of a MID range         IFMS in LGs in FYI0/II	In Q3 Provided on site functional and IT support to 26 IFMS Tier 2 sites – 2nd Rollout Sites.	II contract for Installation and in Q3 Provided on site functional and IT support to 26 Sironko, Mayuge, Lyantonde, Kanungu, Kiruhura, Ibanda, Kasese, IFMS in E03 in FY10/11 IFMS Tier 2 sites – 2nd Rollout Sites.
			In Q2, provided on site functional and IT support to 17 Phase 1 IFMS Tier 2 LGs of : The Districts of : Hoima, Kamuli, Mukono, Katakwi and Kabarole and the Municpal Councils of : Gulu, Lira, Mbale, Tororo, Entebbe, Masaka, Mbarara, Kabale and Ibanda	
		05.15.23 Recurrent Costs for WAN at HLGs	05.15.23 Recurrent Costs for WAN links continued to be provided by Airtel and MTN wAN at HLGs to the existing 59 IFMS Tier 2 sites	<ul> <li>The Airtel Contract expired in December 2016 and need to be reviewed for renewal to ensure continued service to the 44 Tier 2 sites</li> </ul>
				• Both Airtel and MTN will continue to provide WAN links to existing 55 IFMS Tier 2 sites. The 4 sites hitherto under Airtel are currently being provided links by NITA(U) namely: Mukono DLG, Entebbe MC, Masindi DLG and Nakasongola DLG

Major Activities	Sub-Activities	Performance as at quarter 3	Comments for variance
5.15 Deploy IFMS Tier 2 solution and provide technical post-implementation support to the LGs	05.15.24 Provision of Pre-printed Stationery (Revenue Receipts & LPOs) to the 10 new rollout sites -start-up stationery		Activity has been transferred to the Accountant General's Office (Component 3) following Government's Decision on the Integration of ICT systems. Reported under AGO
	05.15.25 Provision of Computer Tables and Chairs for HoDs IFMS Pool Offices of the 10 new Rollout Sites (6 Computer Tables and 6 Chairs per site)		Initiated procurement of Computer Tables and Chairs for the HoDs of the 10 IFMS Tier 1 Rollout Sites
	05.15.11 Project Kick Off Meeting		
	05.15.18 Commissioning and official hand over of the 10 new rollout sites	8 Districts were commissioned and handed over to the respective LGs namely: Dokolo, Butaleja, Bukedea, Isingiro, Amuria, Yumbe, Kaberamaido and Mityana	<ul> <li>Abim and Amuru Districts were not commissioned due to lack of WAN links</li> <li>Commission and Officially hand over 21 IFMS Tier 1 Sites to LGs</li> </ul>
	05.15.20 Recurrent Costs (1 Year) DFID Rollout Sites		
	05.15.26 Undertake consultancy to setup and deploy the IFMS tier-2 solution to 10 LGs	Continued to support the consultant engaged to deploy the IFMS tier-1 solution to additional 29 LGs In Q2, consultant engaged to supply, install, configure computer hardware and related equipment and deploy the Integrated Financial Management System (IFMS Tier 1) in additional 19 Municipal Councils of: Kasese, Busia, Kisoro, Bushenyi-Ishaka, Kamuli, Rukungiri, Kiira, Iganga, Ntungamo, Mubende, Koboko, Kumi, Mityana, Nebbi, Kapchorwa, Nansana, Kitgum, Makindye Sabagabo and Masindi.	In (1), MoFPED engaged M/s Computer Point Uganda Ltd to supply, install, configure computer hardware and related equipment and deploy the Integrated Financial Management System (IFMS Tier I) in additional 10 Districts of: Dokolo, Butaleja, Bukedea, Isingiro , Amuria ,Yumbe ,Amuru, Abim, Kaberamaido, and Mityana
	05.15.19 Undertake Consultancy for Installation and Maintenance of WAN Link - 512 kbps to 10 LGs for 1 Year	In Q2, consultant engaged to provide WAN links in additional 19 Municipal Councils of: Kasese, Busia, Kisoro, Bushenyi-Ishaka, Kamuli, Rukungiri, Kiira, Iganga, Ntungamo, Mubende, Koboko, Kumi, Mityana, Nebbi, Kapchorwa, Nansana, Kitgum, Makindye Sabagabo and Masindi.	IN ()1, MoFPED engaged M/s Computer Point Uganda Ltd to provide WAN links for 3 months in additional 10 Districts of: Dokolo, Butaleja, Bukedea, Isingiro , Amuria ,Yumbe ,Amuru, Abim, Kaberamaido, and Mityana

Major Activities	Sub-Activities	Performance as at quarter 3	Comments for variance
	05.15.14 Training of Core & End Users of the new 10 rollout sites (at least 25 per site)	05.15.14 Training of Core & Conducted IFMS Tier 1 functional Training of Core End Users of the new 10 rollout & End Users of the new 10 IFMS Tier 1 Rollout LG sites (at least 25 per site)	Plans to Conduct Pre Go Live Change Management in Ngora District IFMS Tier 1 Rollout LG Site in Q4
	05.15.16 Pre & Post Go Live Condu Change Management for 10 IFMS ' Rollout Sites	Conducted Pre Go Live Change Management in 29 IFMS Tier 1 Rollout LG Sites	
	05.15.10 Site Readiness Assessment of 10 rollout new Sites	Site Readiness Assessment carried out in 29 IFMS Tier 1 Rollout LG Sites in Q1	
	05.15.13 Master Data Collection & Validation	Completed in Q1	Continue with the validation of master data of the 19 rollout Tier 1 MCs
	05.15.05 Pre- & Post Go live site support to 10 new rollout sites (1 Year)	05.15.05 Pre- & Post Go live Provided Pre- & Post Go live site support to 8 new In Q4 prov site support to 10 new rollout sites namely: Dokolo, Butaleja, Bukedea, Isin-rollout sites sites (1 Year)	05.15.05 Pre- & Post Go live Provided Pre- & Post Go live site support to 8 new ln Q4 provided Pre- & Post Go live site support to 21 new site support to 10 new rollout sites namely: Dokolo, Butaleja, Bukedea, Isin- rollout sites is giro, Amuria, Yumbe, Kaberamaido and Mityana
	05.15.17 Equipment Inspection and User Acceptance Sign Off- 10 new rollout sites	05.15.17 Equipment Inspection In Q2, Undertook equipment Inspection and User and User Acceptance Sign Off- Acceptance Sign Off in 10 IFMS Tier 1 rollout sites	05.15.17 Equipment Inspection In Q2, Undertook equipment Inspection and User In Q4 Carryout Equipment Inspection and User Acceptance Sign Off in 10 IFMS Tier 1 rollout sites  10 new rollout sites
Timely and quality LG PAC reporting	orting		
Capacity of LG PAC strengthened	pə		
05.28 Project running cost	05.28.01 Project running costs including office rent	05.28.01 Project running costs LG PFM Office Rent paid & PFM Office operations including office rent	
05.15 Technical support to reforms in LG	05.15.02 Technical support to reforms in LG	05.15.02 Technical support to LG PFM Consultants/Staff fees/salaries paid by the reforms in LG MSU	

## ANNEX 3: COMPARISON OF PEFA SCORES OF 2012 AND 2016 (Pending Final Release)

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Comparison of PEFA scores of 2012 and 2016			
Indicators and Dimensions	2012	2016	Changes between 2012 and 2016
PI-1 Aggregate expenditure out-turn compared to initially approved budget (excluding externally financed project expenditure)	С	А	Improved adherence to budget as STA introduced, accounting officers more responsible and payroll improved
PI-2 Composition of expenditure out-turn compared to original approved budget	D+	C+	Similar reasons to PI-1
Extent of the variance in expenditure composition during the last three years, excluding contingency items	D	С	Similar reasons to PI-1
The average amount of expenditure actually charged to the contingency vote over the last three years.	A	A	No change
PI-3 Aggregate revenue out-turn compared to original approved budget	D	В	Improved URA estimates
PI-4 Stock and monitoring of expenditure payment arrears	C+	D+	Reduced score because of significantly worsening level of arrears
Stock of expenditure payment arrears (as a percentage of actual total expenditure for the corresponding fiscal year) and any recent change in the stock	С	D	The stock of arrears constitutes 12%-19.9% percent of total expenditure and has significantly increased since 2012.
Availability of data for monitoring the stock of expenditure payment arrears.	В	С	Data on the stock of arrears is generated at least annually, but may not be complete, and does not include an age profile
PI-5 Classification of the budget	Α	Α	No change
PI-6 Comprehensiveness of information included in budget documentation	Α	A	Left out exchange rate 2015/16 macro assumptions but no impact on score
PI-7 Extent of unreported government operations.	D+	C+	Loan financed projects are included in fiscal reports
Level of unreported government operations	В	В	Improved reporting. Only 1.9% of BCG budget is now unreported
Income/expenditure information on donor-funded projects	D	С	Information on donor-funded projects is deficient but all loan financed projects are included in fiscal reports
PI-8 Transparency of inter-governmental fiscal relations.	D+	С	SNGs have sufficient time to prepare their budget after BCC 2
Transparency and objectivity in the horizontal allocation amongst Sub national Governments	D	D	Transfers are mostly discretionary and non-transparent
Timeliness and reliable information to SN Governments on their allocations	С	В	BCC 2 gives sufficient time to prepare budget
Extent of consolidation of fiscal data for local government according to sectoral categories	С	С	No change
PI-9 Oversight of aggregate fiscal risk from other public sector entities.	С	С	No change
Extent of central government monitoring of autonomous entities and public enterprises	С	С	Still no full consolidation though improved PE consolidation and reporting
Extent of central government monitoring of SN government's fiscal position	С	С	No change. No consolidation into a report.
PI-10 Public access to key fiscal information	В	В	No change

Comparison of PEFA scores of 2012 and 2016			
Indicators and Dimensions	2012	2016	Changes between 2012 and 2016
PI-11 Orderliness and participation in the annual budget process	C+	Α	Impact of PFMA 2015
Existence of, and adherence to, a fixed budget calendar	С	Α	Impact of PFMA 2015
Guidance on the preparation of budget submissions	Α	Α	No change
Timely budget approval by the legislature	D	Α	Impact of PFMA 2015
PI-12 Multi-year perspective in fiscal planning, expenditure policy and budgeting	C+	В	MTFF improved and used
Multiyear fiscal forecasts and functional allocations	С	Α	MTFF improved and used
Scope and frequency of debt sustainability analysis	Α	Α	No change
Existence of costed sector strategies	С	С	No change
Linkages between investment budgets and forward expenditure estimates	С	С	No change
PI-13 Transparency of taxpayer obligations and liabilities	Α	Α	No change in score
Clarity and comprehensiveness of tax liabilities	В	В	Legislation and procedures for most taxes are comprehensive and clear with limited discretionary powers allowed to tax officers.
Taxpayer access to information on tax liabilities and administrative procedures	Α	Α	Taxpayers have easy access to comprehensive, user friendly and up-to-date information on tax liabilities and administrative procedures for all major taxes, and the URA supplements this with active taxpayer education campaigns.
Existence and functioning of a tax appeal mechanism.	Α	A	A tax appeals system of transparent administrative procedures is operating through an independent tribunal with satisfactory access and fairness
PI-14 Effectiveness of measures for taxpayer registration and tax assessment	В	С	Reduction in score because the 2012 score on tax audit and fraud investigation was generous
Controls in the taxpayer registration system	С	С	Taxpayers are registered, but linkagesto other systems are weak and are supplemented by ad hoc surveys
Effectiveness of penalties for non-compliance with registration and declaration obligations	С	С	Penalties exist, but substantial changes would be needed to their level and administration to make them effective
Planning and monitoring of tax audit and fraud investigation programs	Α	С	There is annual planning and a continuous programme of tax audits and fraud investigations, using clear risk criteria for all taxes – the score in 2012 seems high
PI-15 Effectiveness in collection of tax payments	C+	C+	The score has remained the same because of lack of consolidated reconciliations.

Comparison of PEFA scores of 2012 and 2016			
Indicators and Dimensions	2012	2016	Changes between 2012 and 2016
Collection ratio for gross tax arrears	С	В	The average debt collection ratio in the two most recent fiscal years was 75-90% and the total amount of tax arrears is significant.
Effectiveness of transfer of tax collections to the Treasury by the revenue administration	В	В	Revenue collections are transferred to the Treasury at least weekly.
Frequency of complete accounts reconciliation between tax assessments, collections, arrears records, and receipts by the Treasury	Α	С	This score improved from C to A in 2008. However, in 2016, in view of lack of a consolidated reconciliation of assessments, collections, arrears and transfer of funds to Bank of Uganda a score of "C" has been reinstated.
PI-16 Predictability in the availability of funds for commitment of expenditures	C+	В	Improved due to MDA planning horizon 3 months from one month
Extent to which cash flows are forecasted and monitored	В	В	The cash flow forecast for the year is  Up dated quarterly — no change
Reliability and horizon of periodic in-year information to MDAs on ceilings for expenditure	С	В	MDA planning horizon was less than 3 months in 2012 now improved from monthly to quarterly
Frequency and transparency of adjustments to budget allocations above the level of management of MDAs	С	С	Significant in-year budget adjustments  are frequent, but undertaken with some transparency – no change
PI-17 Recording and management of cash balances, debt and guarantees	В	A	DMS, TSA and PFM Act have improved recoding and management
Quality of debt data recording and reporting.	В	Α	DMS has improved score
Extent of consolidation of the government's cash balances.	В	Α	TSA has improved consolidation
Systems for contracting loans and issuance of guarantees. $\\$	В	Α	Clarity in new law backs up constitution
PI-18 Effectiveness of payroll controls	D+	В	Improvements recognize the reforms in IPPS, payroll audits and biometric data etc. To improve further would need the automatic transfer between IFMIS -IPPS
Degree of integration and reconciliation between personnel records and payroll data.	D	В	Personnel data and payroll data are now directly linked under IPPS, though there are teething problems, and the payroll is supported by full documentation for all
Timeliness of changes to personnel records and the payroll.	В	В	Up to three months' delays occur in updating of changes to the personnel records and payroll, but affects only a minority of changes. Retroactive adjustments are made only occasionally.
Internal controls of changes to personnel records and the payroll.	С	В	Authority and basis for changes to personnel records and the payroll are clear.

Comparison of PEFA scores of 2012 and 2016			
Indicators and Dimensions	2012	2016	Changes between 2012 and 2016
Existence of payroll audits to identify control weaknesses and/or ghost workers.	С	В	A payroll audit covering all central government entities has been conducted at least once in the last three years (whether in stages or as one single exercise).
PI-19 Competition, value for money and controls in pro- curement	D+	C+	The score has improved due to creation of a procurement tribunal and provision of more procurement information to the public.
Transparency, comprehensiveness and competition in the legal and regulatory framework.	В	В	The legal framework meets four or five of the six listed requirements.
Use of competitive procurement methods.	D	D	For less than 60% of the value of contracts awarded,
Public access to complete, reliable and timely procurement information.	С	В	At least three of the key procurement information elements are complete and reliable for government units representing 75% of procurement operations (by value) and made available to the public in a timely manner through appropriate means.
Existence of an independent administrative procurement complaints system.	D	В	The procurement complaints system meets criteria (i), (ii) and three of the other five criteria.
PI-20 Effectiveness of internal controls for non-salary expenditure	С	В	A slight improvement since 2012
Effectiveness of expenditure commitment controls	С	В	There has been strengthening of the commitment control system through enforcement of its regulations and tightening the controls in IFMS.
Comprehensiveness, relevance and understanding of other internal control rules/procedures.	С	В	The new PFM Act and the associated regulations and instructions are onerous and prescribe stiff penalties. This has increased the awareness of internal controls and procedures.
Degree of compliance with rules for processing and re- cording transactions	С	В	There has been some improvement in compliance with the rules because of the awareness that compliance is being monitored and penalties can be exacted.
PI-21 Effectiveness of internal audit	С	В	Improvement principally because of improved management responses to IA recommendations
Coverage and quality of the internal audit function.	В	A	Internal audit function has been extended to all central government votes and meets professional standards.
Frequency and distribution of reports	Α	Α	Quarterly audit reports are produced and sent to accounting officers, audit committees, MOFPED and SAI. Audit Committees are now functional in central government sectors and regional local government centres.

Comparison of PEFA scores of 2012 and 2016			
Indicators and Dimensions	2012	2016	Changes between 2012 and 2016
Extent of management response to internal audit function.	С	В	Response to audit recommendations has improved especially after the new Public Finance Management Act ties the reappointment of accounting officers to implementing the recommendations.
PI-22 Timeliness and regularity of accounts reconciliation	В	А	Improved score due to absence of suspense accounts
Regularity of bank reconciliation	Α	Α	No change
Regularity and clearance of suspense accounts and advances	С	A	Improvement in suspense accounts as these no longer exist
PI-23 Availability of information on resources received by service delivery units	В	С	National Service Delivery Survey report conducted by UBOS in 2015
PI-24 Quality and timeliness of in-year budget reports	C+	В	The score has improved because of more timely production of the reports and the increased of automation of transactions in the MDAs.
Scope of reports in terms of coverage and compatibility with budget estimates.	Α	A	Classification of data allows direct comparison to the original budget. Information includes all items of budget estimates. Expenditure is covered at both commitment and payment stages.
Timeliness of the issue of reports	С	В	Reports are prepared quarterly, and issued within 6 weeks of end of quarter.
Quality of information	В	В	There are some concerns about accuracy, but data issues are generally high-lighted in the reports and do not compromise overall consistency/ usefulness.
PI-25 Quality and timeliness of annual financial statements	C+	В+	Improvements seen from greater compli- ance with IPSAS; more IFMIS automation and better in year accounting disciplines such as on-going reconciliations
Completeness of the financial statements	В	В	Financial statements are comprehensive except for recording contingent liabilities and some externally funded projects.
Timeliness of submissions of the financial statements	A	A	Vote financial statements are submitted for audit within 2 months and the Consolidated financial statements within 2months of the end of the financial year.
Accounting standards used	С	В	The financial statements are cash IPSAS compliant .
PI-26 Scope, nature and follow-up of external audit	B+	B+	No change
Scope/nature of audit performed (including adherence to auditing standards)	A	А	External audit has maintained its level of coverage of central government entities and the application of ISSAI standards.
Timeliness of submission of audit reports to the Legislature	В	В	There has been improvement in the time taken to submit the audit report to parliament. The improvement meets the Uganda Law but within 4 months would be needed for an A score.

Comparison of PEFA scores of 2012 and 2016			
Indicators and Dimensions	2012	2016	Changes between 2012 and 2016
Evidence of follow up on audit recommendations	Α	Α	Response to audit recommendations has improved especially after the new Public Finance Management Act ties the reappointment of accounting officers to implementing the recommendations.
PI-27 Legislative scrutiny of the annual budget law	C+	C+	No change 2012 to 2016 PEFA
Scope of the legislature scrutiny	Α	Α	The legislature's review covers fiscal policies, medium term fiscal framework and medium term priorities as well as details of expenditure and revenue.
Extent to which the legislature's procedures are well established and respected.	А	Α	The legislature's procedures for budget review are firmly established and respected. They include internal organizational arrangements, such as specialized review committees, and negotiation procedures.
Adequacy of time for the legislature to provide a response to budget proposals both the detailed estimates and, where applicable, for proposals on macro-fiscal aggregates earlier in the budget preparation cycle (time allowed in practice for all stages combined)	A	A	The legislature has at least two months to review the budget proposals.
Rules for in-year amendments to the budget without ex-ante approval by the legislature	С	С	Clear rules exist, but they may not always be respected OR they may allow exten- sive administrative reallocation as well as expansion of total expenditure.
PI-28 Legislative scrutiny of external audit reports	D+	D+	No change to score overall but some change within dimensions
Timeliness of examination of audit reports by the legis- lature	D	D	No change still a backlog
Extent of hearing on key findings undertaken by the legislature	A	В	Hearings with all accounting officers would be needed for an A – 2012 score seems high
Issuance of recommended actions by the legislature and implementation by the executive	В	В	No change

### ANNEX 4: FIXED ASSET IMPLEMENTATION STATUS AND ROLLOUT PLAN

Progress in rollout FOR ROLLING OUT FAM TO EXISTING IFMS VOTES

VOTE	VOTE NAME		R	OLLOUT	
		Q1	Q2	Q 3	Q4
001	Office Of The President	Yes			
002	State House		Yes		
003	Office Of The Prime Minister		Yes		
004	Ministry Of Defence		Yes		
005	Ministry Of Public Service			Yes	
006	Ministry Of Foreign Affairs	Yes			
007	Ministry Of Justice And Constitutional Affairs			Yes	
008	Ministry Of Finance, Planning And Economic Development	Yes			
009	Ministry Of Internal Affairs			Yes	
010	Ministry Of Agriculture Animal Industry And Fisheries	Yes			
011	Ministry Of Local Government	Yes			
012	Ministry Of Lands Housing And Urban Development	Yes			
013	Ministry Of Education And Sports	Yes			
014	Ministry Of Health	Yes			
015	Ministry Of Trade And Industry	Yes			
016	Ministry Of Works And Transport		Yes		
017	Ministry of Energy And Mineral Development	Yes			
018	Ministry Of Gender And Social Development			Yes	
019	Ministry Of Water And Environment		Yes		
020	Ministry Of Information Communication And Technology	Yes			
021	Ministry Of East African Affairs	Yes			
022	Ministry of Tourism and Wildlife	Yes			
101	Judiciary (Office Of Judicature)		Yes		
102	Electoral Commission		Yes		
VOTE	VOTE NAME	Q1	Q2	Q 3	
103	Inspectorate Of General Government	Yes			
104	Parliamentary Commission				
105	Law Reform Commission				Yes
106	Uganda Human Rights Commission				Yes
107	Uganda Aids Commission				Yes

VOTE	VOTE NAME		R	OLLOUT	
		Q1	Q2	Q 3	Q4
108	National Planning Authority				Yes
112	Directorate of Ethics And Integrity				Yes
113	Uganda National Roads Authority				Yes
114	Uganda Cancer Institute				Yes
115	Uganda Heart Institute				Yes
117	Uganda Tourism Board	Yes			
120	National Citizenship And Immigration Control	Yes			
122	Kampala City Council Authority				Yes
126	National Information Technology of Uganda				Yes
128	Uganda National Examination Board				Yes
129	Financial Intelligence Authority (FIA)				Yes
131	Office Of The Auditor General	Yes			
132	Education Services Commission	Yes			
133	Directorate of Public Prosecution		Yes		
134	Health Services Commission		Yes		
144	Uganda Police	Yes			
145	Uganda Prisons Services	Yes			
146	Public Service Commission	Yes			
147	Local Government Finance Commission	Yes			
148	Judicial Services Commission	Yes			
150	National Environment Management Authority				Yes
151	Uganda Blood Transfusion Service			Yes	
156	Uganda Land Commission	Yes			
302	Uganda National Meteorological Authority (UNMA)		Yes		
VOTE	VOTE NAME	Q1	Q2	Q 3	
303	National Curriculum Development Centre (NCDC)				Yes
304	Uganda Virus Research Institute (UVRI)				Yes
305	Directorate of Govt Analytical Laboratory (DGAL)		Yes		
306	Uganda Export Promotion Board (UEPB)				Yes
110	Uganda Industrial Research Institute	Yes			
116	National Medical Stores	-			Yes
118	Road Fund		Yes		
119	Uganda Registration Services Bureau	Yes	103		
	oganaa kegisti atioti dei vices buteau	163			

VOTE	VOTE NAME		R	OLLOUT	
		Q1	Q2	Q 3	Q4
121	Diary Development Authority				Yes
123	Rural Electrification Authority		Yes		
124	Equal Opportunities Commission				yes
125	National Animal Genetics And Resources Centre and Data Bank				Yes
130	Treasury Operations			Yes	
142	National Agriculture Research Organisation	Yes			
143	Uganda Bureau Of Statistics				Yes
152	National Agricultural Advisory Services				Yes
153	Public Procurement And Disposal Of Assets Authority				Yes
154	Uganda National Bureau Of Standards			Yes	
155	Cotton Development Organisations		Yes		
157	National Forestry Authority			Yes	
159	External Security Organisation				Yes
160	Uganda Coffee Development Authority				Yes
162	Butabika Hospital				Yes
173	Mbarara Hospital		Yes		
161	Mulago Hospital		Yes		
163	Arua Regional Referral Hospital		Yes		
164	Fort Portal Regional Referral Hospital		Yes		
165	Gulu Regional Referral Hospital		Yes		
166	Hoima Regional Referral Hospital		Yes		
VOTE	VOTE NAME	Q1	Q2	Q 3	
167	Jinja Regional Referral Hospital		Yes		
168	Kabale Regional Referral Hospital		Yes		
172	Lira Regional Referral Hospital		Yes		
169	Masaka Regional Referral Hospital		Yes		
170	Mbale Regional Referral Hospital		Yes		
175	Moroto Regional Referral Hospital		Yes		
174	Mubende Regional Referral Hospital		Yes		
176	Naguru Referral Hospital				Yes
171	Soroti Referral Hospital		Yes		
512	Kabale District			Yes	
506	Bushenyi District			Yes	
	,				L

VOTE	VOTE NAME		R	OLLOUT	
		Q1	Q2	Q 3	Q4
537	Mbarara District			Yes	
533	Masaka District			Yes	
540	Mpigi District			Yes	
536	Mbale District			Yes	
553	Soroti District			Yes	
503	Arua District			Yes	
508	Gulu District			Yes	
511	Jinja District			Yes	
549	Rakai District			Yes	
555	Wakiso District			Yes	
554	Tororo District			Yes	
531	Lira District			Yes	

## ANNEX 5: TABLE SHOWING NUMBER OF PARTICIPANTS ENROLLED ON DIFFERENT MODULES IN THE E-LEARNING SYSTEM

Sn	Module	No. of Enrolled participants
	Introduction to Public Procurement and Disposal	181
	Public Procurement Planning	138
	Preparation of Statement of Requirements	133
	Preparation and Use of Standard Bidding Documents (SBDs)	116
	Pre-Qualification and Bidding Process	121
	Evaluation of Bids	119
	Contracts and Contract Management	120
	Disposal of Public Assets	129
	International Public Procurement	119
	Ethics in Public Procurement and Disposal	114
	Complaints Handling in Procurement and Disposal	114
	Accountability in Public Procurement & Disposal Process	114
	Providers in Public Procurement & Disposal Contracts	116
	Records Management in Public Procurement and Disposal	110
	Public Procurement Audit and Compliance	113
	Emerging Trends in Public Procurement	112
Average number of enrolled participants		123

Source: http://elearning.ppda.go.ug

## ANNEX 6: INTERNAL AUDIT COMMITTEE MEMBERS AS AT 30 JUNE 2017

Central Region	Western Region
ELLY RUGASIRA	MACLEAN KEMIGISHA
ETOORI TIMOTHY DIDYMUS	EMMANUEL MUKASA MARTIN
KASHAKI KATUSIIME DOMINIC SAVIO	Serunjogi Steven
ZAC KAKYAMA SERUBIDDE	NYEHANGANE WILLIAM
Eng. Henry Francis Okinyal	Mugume Apollo
Ling. Horry Francis Chiriyar	Magaine Apono
Eastern A Region	Eastern B Region
KATUTSI A. JOHN BOSCO	KYABAKAYA ENOCH SAMSON
Kaboyo Patrick	Uma Agula Francis
KYAMANYWA CHARLES IAC	ANYAIT AGNES
MAGAMBO KATO SAMUEL	DOROTHY KIYAGA NSEKA
Migayo, Frank	Patrick John Muzaale
Northern Region	Southern Region
OGIK JUDE	NGARUYE BONIFACE RUHINDI
PANDE MICHAEL MABONGA	SSENTONGO DERRICK
MUGENI MARGARET ATIM ALEX KAMUKAMA KOTUNGIRE	
BAZZEKUKETA JAMES	NDIFUNA ZAUJJA
ERIC OKOLIMONG	SUSAN LUKYAMUZI NAMPIJJA
Law, Justice & Order	Education & Social Services Sector
Rutaagi K Robert	RWABEIRE-BAIRA JAMES MARCUS
Bruce K Kyerere	Nakafu Esther
Vincent Rwamisazi Kagaba	ALBERT OTETE
ASIIMWE CYNTHIA	Walter Dickson Mwima-Swaya
Kizza & Co	KIBUULE MUGGU FREDSAM
Health Sector	Works & Infrastructure
Gerald Mbalire Kasanya	Alex Rezida
Tusingwire Elisha	Francis E.S Katana
MIRIAN NDYANABO KAAMATE	AKANDONDA AMBROSE
Ichom Norah Norris	WINFRED BABIRYE NAMAGEMBE
OKUUNY VINCENT DE PAUL	Eng. Wamburi Nambafu Perez Perry
Accountability Sector	Public Administration Sector
Augustus Nuwagaba	David Bunnya Sserebe
Naomi Adong Wanyama	Winfred Tarinyeba Kiryabwire
BYARUHANGA JOEL KALE	MUTEBE RUTH
Kagoro John Sehehe	Alex Okot Mckote
AKURUT IRENE	Wilberforce Amunyo (1st July 2016)
Natural Resources	International Relations
BWOCH GUSTAVIO ORACH LUJWERO	Duku Henry
Dorothy Nandugga Kabugo	Elizabeth Okui
Munyira Wabwire Rose	JOHN MUSISI BUKENYA
YIGA FRANCIS XAVIER AUD001	George E Ongom
JAMES MULIIRA N	Muwonge Andrew A. B.

## ANNEX 7: DETAILED STATUS OF LOCAL GOVERNMENT IFMS IMPLEMENTATION

		PIIOT L	Gs) Completed
1	Lira District Local Government	3	Jinja District Local Government
2	Bushenyi District Local Government		
	IFMS Tier 1 (1	st Roll	lout) Completed
4	Soroti District Local Government	7	Masaka District Local Government
5	Mbale District Local Government	8	Mbarara District Local Government
6	Mpigi District Local Government		
	· ·	nd Rol	lout) Completed
9	Arua District Local Government	12	Gulu District Local Government
10	Rakai District Local Government	13	Kabale District Local Government
11	Wakiso District Local Government	14	Tororo District Local Government
	IFMS Tier	2 (Pilo	t) Completed
15	Nebbi District Local Government	18	Luwero District Local Government
16	Kumi District Local Government	19	Mubende District Local Government
17	Iganga District Local Government	20	Ntungamo District Local Government
		(Rollo	ut) Completed
21	Rukungiri District Local Government	48	Tororo Municipal Council
22	Kyenjojo District Local Government	49	Arua Municipal Council
23	Bundibugyo District Local Government	50	Gulu Municipal Council
24	Kisoro District Local Government	51	Entebbe Municipal Council
25	Sembabule District Local Government	52	Moroto Municipal Council
26	Masindi District Local Government	53	Mukono District Local Government
27	Kitgum District Local Government	54	Kabalore District Local Government
28	Apac District Local Government	55	Kotido District Local Government
29	Adjumani District Local Government	56	Hoima District Local Government
30	Pader District Local Government	57	Kamuli District Local Government
31	Busia District Local Government	58	Moyo District Local Government
32	Nakasongola District Local Government	59	Koboko District Local Government
33	Kapchorwa District Local Government	60	Moroto District Local Government
34	Pallisa District Local Government	61	Kotido District Local Government
35	Bugiri District Local Government	62	Sironko District Local Government
36	Kalangala District Local Government	63	Lyantonde District Local Government
37	Jinja Municipal Council	64	Ibanda District Local Government
38	Hoima Municipal Council	65	Kiruhura District Local Government
39	Mukono Municipal Council	66	Kanungu District Local Government
40	Lugazi Town Council	67	Kasese District Local Government
41	Masaka Municipal Council	68	Kibale District Local Government
42	Mbarara Municipal Council	69	Kayunga District Local Government
43	Soroti Municipal Council	70	Kiryandongo District Local Government
44	Mbale Municipal Council	<b>7</b> 1	Nakaseke District Local Government
45	Lira Municipal Council	72	Kiboga District Local Government
46	Fortportal Municipal Council	<b>7</b> 3	Mayuge District Local Government
47	Kabale Municipal Council		

	IFMS Tier 2 (Rollout) FY 2016/17 Pla	nned -	Pending Roadmap for Integration of ICT
74	Kaberamaido DA	79	Amuria DA
75	Dokolo DA	80	Yumbe DA
76	Butaleja DA	81	Kaabong DA
77	Bukedea DA	82	Mityana DA
<i>7</i> 8	Isingiro DA	83	Amuru DA
	IFMS Tier 2 (Rollout) FY 2017/18 Pla	nned -	Pending Roadmap for Integration of ICT
84	Kasese MC	99	Oyam DA
85	Iganga MC	100	Amudat DA
86	Busia MC	101	Buikwe DA
87	Bushenyi-Ishaka MC	102	Buyende DA
88	Ntungamo MC	103	Kaliro DA
89	Masindi MC	104	Kyegegwa DA
90	Rukungiri MC	105	Lamwo DA
91	Budaka DA	106	Otuke DA
92	Bududa DA	107	Zombo DA
93	Nakapiripirit DA	108	Alebtong DA
94	Amolatar DA	109	Buvuma DA
95	Manafa DA	110	Gomba DA
96	Bukwo DA	111	Maracha DA
97	Abim DA	112	Buliisa DA
98	Namutumba DA		
	IFMS Tier 2 (Rollout) FY 2018/19 Pla	nned -	Pending Roadmap for Integration of ICT
113	Luuka DA	124	Buhweju DA
114	Namayingo DA	125	Ngora DA
115	Ntoroko DA	126	Napak DA
116	Serere DA	127	Kibuku DA
11 <i>7</i>	Kalungu DA	128	Nwoya DA
118	Bukomansimbi DA	129	Kole DA
119	Butambala DA	130	Agago DA
120	Lwengo DA	131	Kween DA
121	Mitooma DA	132	Kyankwanzi DA
122	Rubirizi DA		
123	Sheema DA		

IFMS	Rollout Sites at July 1, 2015 - Readiness Status		
No	MINISTRIES/DEPARTMENTS/AGENCIES AND DFPs	Location	Done
1	Equal Opportunities Commission	Bugolobi	Р
2	National Animal Genetic Resource Centre & Data Bank	Entebbe	Р
3	Uganda National Examinations Board (UNEB) Not on original list, added later	Kampala	Р
4	Rural Electrification Agency	Kampala	Р
5	Uganda Coffee Development Authority	Kampala	Р
6	Competitive and Investment Climate Strategy	MoFPED	Р

	REFERRAL HOSPITALS		
1	Kabale Referral Hospital	Kabale	Р
2	Mbarara Referral Hospital	Mbarara	Р
3	Masaka Referral Hospital	Masaka	P
4	Hoima Referral Hospital	Hoima	Р
5	Fort Portal Referral Hospital	Fort	P
6	Mubende Referral Hospital	Mubende	P
7	Arua Referral Hospital	Arua	P
8	Gulu Referral Hospital	Gulu	P
9	Naguru Referral Hospital	Naguru	P
10	Moroto Referral Hospital	Moroto	Р
11	Jinja Referral Hospital	Jinja	Р
12	Soroti Referral Hospital	Soroti	P

No.	DONOR FUNDED PROJECTS	Vote
1	ADB IV Support to Secondary Education	MoES
2	Improvement of Health Facilities at Mulago Hospital (IHFMHP)	MULAGO
3	Farm Income Enhancement and Forest Conservation Project	MoWE
4	Kigumba Bulima Kabwoya	UNRA
5	Kapchorwa Suam	UNRA
6	Upgrading Rukungiri-Kihihi-Ishasha/Kanungu Road	UNRA
7	Upgrading Mbale-Bubulo-Lwakhakha Road	UNRA
8	Kibuye Busega Mpigi	UNRA
9	UPDF Peace Keeping Mission in Somalia (AMISOM)	MoD
10	Upgrading of Masaka-Bukakata Road	UNRA
11	Construct selected bridges (BADEA)	UNRA
12	Financial Management and Accountability Program	MoFPED
13	The Third Financial Management & Accountability Programme (FINMAP III)	MoFPED
14	Institution Capacity Building In Health Sector Phase II	МоН
15	Northern Corridor Mbarara –Katuna	UNRA
16	Kampala Northern Bypass Phase 2	UNRA
17	Kampala-Entebbe Express Highway	UNRA
18	Global Alliance For Vaccine Initiative	МоН
19	Gavi Vaccines And Health Sector Devt Plan Support	МоН
20	Global Fund	МоН
21	Rehabilitation & Construction Of General Hospitals	МоН
22	Local Government Management and Service Delivery Project	MoLG
23	Uganda Public Service Performance Enhancement Program	MoPS
24	Uganda Post Primary Education and Training	MoES
25	Public Health Lab Networking Project (PHLSP)	МоН
26	East African Agricultural Productivity Project (EAAPP)	NARO
27	Support to Higher Education, Science and Technology (HEST)	MoES
28	Uganda Teacher and School Effectiveness Project (UTSEP)	MoES
29	Health Systems Strenthening for HIV/AIDS (HSSP)	МоН
30	Water Management and Development Project	MoWE

31	Competitiveness and Enterprise Development Project (CEDP)	MoFPED
32	Electricity Sector Development Project (ESDP)	MEMD
33	Energy for Rural Transformation (ERT)	MEMD
34	Second Kampala Institutional and Infrastructure Development Project	KCCA
35	Uganda Support to Municipal Infrastructure Development Project (USMID)	MLHUD
36	Regional Communication Infrastructure Program (RCIP)	NITAU
37	Uganda Skills Development Project (USDP)	MoES
38	Albertine Region Sustainable Development Project	MLHUD
39	Uganda Albertine Region Sustainable Development Project	MoES
40	North Eastern Road-Corridor Asset Management Project	UNRA
41	Albertine Region Sustainable Development Project	UNRA
42	East Africa Public Health Laboratory Network	МоН
43	Uganda Reproductive Maternal & Child Health	МоН
44	Skills Development Project (USDP)	MoFPED
45	Competitiveness and Enterprise Development Project (CEDP)	MLHUD
46	Tirinyi-Pallisa-Kumi/Kamonkoli Road	UNRA
47	Upgrading Muyembe-Nakapiripirit (92km) Road	UNRA
48	Rural Financial Services	MoFPED
49	Financial Inclusion in Rural Areas (PROFIRA) of Uganda	MoFPED
50	Community Agriculture Infrastructure Improvement Project (CAIIP II)	MoLG
51	Vegetables Oil Development Project Phase 2	MAAIF
52	Programme For Restoration of Lives in Northern Uganda	MoLG
53	Italian Support To HSSP And PRDP	МоН
54	Construction of 2nd Nile Bridge	UNRA
55	Gulu — Atiak - Nimule Road	UNRA
56	Kampala Flyover	UNRA
57	Refinery Development Programme (RDP)	MEMD
58	Renovation And Equiping Of Kayunga And Yumbe General Hospitals	МоН
59	Design Ntungamo-Mirama Hill Road	UNRA
60	Uganda Sanitation Fund Phase II	МоН

## ANNEX 8: DETAILED SPONSORSHIP LIST FOR PROFESSIONAL QUALIFICATIONS

		TS UNDER ACCOL	INTANT GENERAL	S OFFICE			
	UNE 2015 SITTIN						
SN	SURNAME	OTHER NAMES	REG NO	DEPLOY- MENT	STATUS	PAPERS	INSTITUTIONS
1	ACHENG	Enid	CP/1 <i>5775</i>	FMS/AGO	New	1,5	GLOBAL
2	AHIMBISIBWE	Celia Lwamafa	CP/11310	FMS/AGO	New	6,9	MAT
3	ATUHAIRE	Ronald	CP/15769	FMS/AGO	New	1,5	GLOBAL
4	DDAMULIRA	Samson	00466	ESC	New	1,5	MAT
5	GATARE	Rodney	CP/1 <i>5774</i>	FMS/AGO	New	1,5	MAT
6	KANSIIME	Glory	CP/08110	FMS/AGO	New	8,11,12	GLOBAL
7	KATUSHABE	Rita	CP/08293	FMS/AGO	New	1,5,9	GLOBAL
8	KAVULE	M. Augustine	01740	Police	Continuing	10	ZENITH
9	KENKWAZI	Miriam	CP/12804	AGO/TIPD	New	10,12	MAT
10	KICONCO	Maureen	CP/11754	DDCM	Continuing	10,12	MAT
11	KIWANUKA	Emmanuel	CP/1 <i>575</i> 1	FMS/AGO	New	1,5,7	MAT
12	MABUYA	Job	CP/15753	FMS/AGO	New	1,5,9	MAT
13	MANDU	Julius	CP/13518	FMS/AGO	Continuing	10	
14	MUGISHA	Kenneth	CP/12014	FMS/AGO	New	1,5	MAT
15	MUHEREZA	Gerald	CP/12046	FMS/AGO	New	1,5,7	MAT
16	MUNIALO	Eliab Pelex	CP/09610	DDCM	New	1,3	MAT
1 <i>7</i>	MUSANA	Felix	CP/08060	MoES	Continuing	16	MAT
18	MUTAAWE	Sekabanja	CP/13517	DDCM	Continuing	9,12	MAT
19	NAKAYONDO	Doreen	CP/14022	AGO/TIPD	New	10,11,12	GLOBAL
20	NAKKU	Hanifah	CP/11484	FMS/AGO	New	8,12	GLOBAL
21	NAMBAFU	Maureen	CP/11438	FMS/AGO	New	3	GLOBAL
22	NANNONO	Sarah	CP/14554	MoES	New	1,5	GLOBAL
23	NANTEZA	Shamim	CP/1 <i>574</i> 9	FMS/AGO	New	1,4,7	MAT
24	OCEN	Francis	CP/15915	MOPS	Continuing	1,5	MAT
25	OMONGIN	Augustine	CP/15633	Mbarara RRH	Continuing	1,5	GLOBAL
26	ONGOM	Thomas	CP/07750	MOWT	Continuing	8,12	MAT
27	SHYAKA	R. Kabageni	CP/10788	FMS/AGO	New	9,11	MAT
28	TUMURANZE	Moses	CP/05137	FMS/AGO	New	1,5	GLOBAL
29	MWESIGWA	Joseph	CP/15802	FMS/AGO	New	1,3,7	
	Musana	Felix			Affiliate		
	Ssemogerere	Gertrude			Affiliate		

ACCA June 2015 SITTING	5 SITTING						
SN	SURNAME	OTHER NAMES	REGN NO	DEPLOYMENT	STATUS	PAPERS	INST
1	AKUMU	Offungi Jenevefa	1347312	ESC	Continuing	P5	MAT
2	BAMEKA	Steven	23037 <i>5</i> 7	FMS/AGO	Continuing	F9	MAT
3	DHAKABA	M. Kirunda	1180055	MOGLSD	×e≪	P3	MAT
4	ENTONGU	Rose Diye	4585061	Uganda Prisons	Continuing	Pl	MAT
5	ESERU	Joseph Engwau	2097387	Heart Inst.	× Ne≪	F7,F8,F9	MAT
9	JENALIST	Francis	1891342	FMS/AGO	» V	P1,P2	MAT
	KYOMUHANGI	Maclean	2576840	FMS/AGO	≽ Z	P5,P7	DATAMINE
8	LOGOSE	Faith	2457798	FMS/AGO	×e∠	F9	MAT
6	MUMANYIRE	Arthur	826372	AGO	Continuing	P2,P3	DATAMINE
10	NAKANWAGI	Christine	2395319	MoES	Continuing	P1	DATAMINE
11	OTIM	Chris Jaramogi	2211072	FMS/AGO	Ne≪	P2,P3	DATAMINE
	BBOSA	Norman		Mubende RRH	Affiliate		

CPA	CPA December 2015 SITTING	ING					
S	SURNAME	OTHER NAMES	REG NO	DEPLOYMENT	COURSE	APPROVED PA- PERS	INSTITUTIONS
-	EBAL	Brian Barry	CP/15838	AGO/FMS	CPA	3,6	GLOBAL
7	EMADIT	Aidah	CP/15380	AGO/FMS	CPA	10,12	GLOBAL
က	GINGO	John	CP/06646	Public Service	CPA	13,14,15	GLOBAL
4	KABIGUMIRA	Jacob	CP/14412	AGO/TIPD	CPA	8,12	MAT
2	KANSIIME	Glory	CP/08110	AGO/FMS	CPA	13,14,15	GLOBAL
9	KASENGE	Mark	CP/13225	AGO/FMS	CPA	13,14,15	MAT
_	KENKWAZI	MIRIAM	CP/12804	AGO/FMS	CPA	13,14,15	MAT
∞	KIWANUKA	Emmanuel	CP/15751	AGO/FMS	CPA	6,9,11	GLOBAL
٥	KIZITO	Melanie Nansunbuga	CP/16997	AGO/TIPD	CPA	1,5	MAT
10	LEKURU	Joyce Falea	CP/17365	IHO	CPA	1,5	GLOBAL
1	MABUYA	qor	CP/15753	AGO/FMS	CPA	8,11,12	MAT
12	MBABAZI	Sarah	CP/08125	AGO/FMS	CPA	1,9	ZENITH
13	MWEBAZE	Denis	CP/17425	IHI	CPA	1,5	GLOBAL
14	NAKANKWAGI	Irene Ruth	CP/16862	AGO/FMS	CPA	1,5,11	MAT
15	NAKAYONDO	Dorren	CP/14022	AGO/TIPD	CPA	13,14,15	GLOBAL
16	NAKKU	Hanifah	CP/11484	AGO/FMS	CPA	13,14,15	MAT
17	NAMANYA	Linnet	CP/13460	AGO/FMS	CPA	12	
18	NANTEZA	Shamim	CP/15749	AGO/FMS	CPA	3,6,11	GLOBAL
19	OJIAMBO	Patrick Motoha	CP/07778	AGO/FMS	CPA	9,12	GLOBAL
20	OPAPAN	Ronald Francis	CP/09082	Internal Affair	CPA	16	GLOBAL
21	RHADA	BARBARA	CP/17109	AGO/FMS	CPA	1,5	MAT
22	SEMAKULA	Tobias Wilberforce	02716	Foreign Affairs	CPA	1,5,7	MAT
23	SSENKINDU	Moses	CP/17105	AGO/TIPD	CPA	1,2,4	MAT
24	TODOZIA	Obundika Eva	CP/16166	AGO/FMS	CPA	1,5	MAT

## ACCA June 2016 SITTING

ME         OTHER NAMES         REGN NO           Incy Vivian         3475921           Incy Vivian         2697336           Incherly Maria         2697336           Indiperty Maria         2949005           Andrew         2949005           Andrew         2949005           BA         Andrew         2949005           BA         Andrew         2949005           BA         Andrew         2949005           Chris Orim         2211072           SENDERA         Samson         1739444           Antony         0771311           Antony         0771310           Antony         0771310           Antony         0771310           Antony         0771344           Antony         0714412           Andeh         0714412           Undes         0714412           Antony         0714412           Antony         071449									
Lucy Vivian         3475921           Kimberly Maria         2697336           Andrew         2949005           Steven         2303757           Mohammed Kirunda         1180055           Chris Otim         2211072           Samson         1739444           Wilfred         2757446           Christine         2395319           Antony         0771311           Enid         CP/13464           Celia Lwamafa         CP/13464           Celia Lwamafa         CP/13464           Celia Lwamafa         CP/13464           Aidah         CP/13464           Jacob         CP/13464           Jacob         CP/13464           Jacob         CP/13464           Jacob         CP/13464           Jacob         CP/13464           Jacob         CP/15751           Emmanuel         CP/15751           Job         CP/15751           Katono Patrick         CP/17517           Henifa         CP/11484	SN	SURNAME	OTHER NAMES	REGN NO	DEPLOYMENT	INST	COURSE		PAPERS
Kimberly Maria         2697336           Andrew         2949005           Steven         2303757           Mohammed Kirunda         1180055           Chris Otim         2211072           Samson         1739444           Wilfred         2757446           Christine         2395319           Antony         0771311           Antony         CP/13464           Calia Lwamafa         CP/13464           Calia Lwamafa         CP/13464           Aidah         CP/13464           James         CP/11310           James         CP/15380           Sarah         CP/15751           Getrude Mugimba         CP/15751           Katono Patrick         CP/15862           Hunife         CP/11484	-	ACEN	Lucy Vivian	3475921	AGO/TIPD	MAT	ACCA		F5,F8,F9
Andrew         2949005           Steven         2303757           Mohammed Kirunda         1180055           Chris Otim         2211072           Samson         1739444           Wilfred         2757446           Christine         2395319           Antony         0771311           Enid         CP/13310           Micheal         CP/13464           Celia Lwamafa         CP/13464           Ivy Linda         CP/13380           James         CP/17039           James         CP/17039           Jacob         CP/17380           Jacob         CP/17380           Job         CP/15751           Job         CP/15753           Getrude Mugimba         CP/15753           Katono Patrick         CP/15753           Irene Ruth         CP/17517           Hunife         CP/1784	7	AKELLO	Kimberly Maria	2697336	AGO/TIPD	MAT	ACCA		F5,F8
Steven         2303757           Mohammed Kirunda         1180055           Chris Otim         2211072           Samson         1739444           Wilfred         2757446           Christine         2395319           Antony         0771311           Enid         CP/15775           Micheal         CP/13464           Celia Lwamafa         CP/13464           Celia Lwamafa         CP/1348           Ivy Linda         CP/17039           Aidah         CP/17039           James         CP/17412           Jacob         CP/14412           Jacob         CP/14412           Job         CP/14412           Sarah         CP/15753           Sarah         CP/15753           Sarah         CP/15751           Katono Patrick         CP/17517           Hranifa         CP/1784	က	ARINAITWE	Andrew	2949005	AGO/FMS	MAT	ACCA		F6,F9
Chris Otim         2211072           Samson         1739444           Wilfred         2757446           Christine         2395319           Antony         0771311           Enid         CP/13464           Celia Lwamafa         CP/13464           Celia Lwamafa         CP/17039           Ivy Linda         CP/17039           Aidah         CP/17039           James         02848           Jacob         CP/14412           Job         CP/14412           Job         CP/15753           Sarah         CP/15753           Sarah         CP/15753           Sarah         CP/15753           Katono Patrick         CP/17517           Irene Ruth         CP/17517           Hanifa         CP/1784	4	BAMEKA	Steven	2303757	AGO/FMS	MAT	ACCA		P1,P2
Chris Otim         2211072           Samson         1739444           Wilfred         2757446           Christine         2395319           Antony         0771311           Enid         CP/13464           Celia Lwamafa         CP/13464           Celia Lwamafa         CP/13464           Vy Linda         CP/13464           Aidah         CP/13464           Jacob         CP/17039           Jacob         CP/14412           Jacob         CP/14412           Job         CP/14412           Sarah         CP/15753           Sarah         CP/15753           Getrude Mugimba         CP/15753           Katono Patrick         CP/15757           Hranife         CP/17517           Hanife         CP/1484	5	DHAKABA	Mohammed Kirunda	1180055	Ministry of Gender	MAT	ACCA		P1,P2,P7
Samson         1739444           Wilfred         2757446           Christine         2395319           Antony         0771311           Enid         CP/15775           Micheal         CP/13464           Celia Lwamafa         CP/13464           Loy Linda         CP/13464           James         CP/17039           Jacob         CP/14412           Iny Linda         CP/14412           Jacob         CP/14412           Emmanuel         CP/14412           Job         CP/15753           Sarah         CP/15753           Sarah         CP/15753           Katono Patrick         CP/15757           Katono Patrick         CP/15757           Hanifa         CP/17849	9	JARAMOGI	Chris Otim	2211072	AGO/FMS	DATAMINE	ACCA		P3
Wilfred         2757446           Christine         2395319           Antony         0771311           Christine         0771311           Enid         CP/15775           Micheal         CP/15775           Aidah         CP/17039           Ivy Linda         CP/17039           James         02848           Jacob         CP/14412           Emmanuel         CP/14412           Immanuel         CP/15753           Job         CP/15753           Sarah         CP/15753           Getrude Mugimba         CP/15753           Katono Patrick         CP/15751           Katono Patrick         CP/17849           Hanifed         CP/1784	7	KAMUGENDERA	Samson	1739444	Fort Portal RRH	MAT	ACCA		P2,P7
Christine         2395319           Antony         0771311           Christine         0771311           Colla Lwamafa         CP/13464           Celia Lwamafa         CP/13464           Celia Lwamafa         CP/13380           Ivy Linda         CP/17039           Aidah         CP/14412           Jacob         CP/14412           Emmanuel         CP/14412           Job         CP/15753           Sarah         CP/15753           Sarah         CP/15753           Getrude Mugimba         CP/15753           Katono Patrick         CP/15757           Katono Patrick         CP/17517           Hranifed         CP/1484	ω	MUGISHA	Wilfred	2757446	AGO/FMS	MAT	ACCA		P2,P3
Antony   0771311	6	NAKANWAGI	Christine	2395319	Ministry of Works	DATAMINE	ACCA		P3,P7
Colia Lwamafa	10	OCEN	Antony	0771311	Ministry of Public Service	MAT	ACCA		F6,P7
OTHER NAMES         REG NO           Enid         CP/15775           Micheal         CP/13464           Celia Lwamafa         CP/11310           Ivy Linda         CP/17039           Aidah         CP/17039           James         CP/17380           Jacob         CP/14412           Emmanuel         CP/14412           Job         CP/15751           Sarah         CP/15753           Sarah         CP/15753           Katono Patrick         CP/17517           Irene Ruth         CP/16862           Hanifa         CP/11484									
SURNAME         OTHER NAMES         REG NO           1 ACHENG         Enid         CP/15775           2 AGABA         Micheal         CP/13464           3 AHIMBISIBWE         Celia Lwamafa         CP/11310           4 AKELLO         Ivy Linda         CP/17039           5 EMADIT         Aidah         CP/17039           6 HIISA         James         02848           7 KABIGUMIRA         Jacob         CP/14412           8 KIWANUKA         Emmanuel         CP/15751           9 MABUYU         Job         CP/15753           0 MBABAZI         Sarah         CP/15753           1 MBABAZI         Getrude Mugimba         04249           2 MUHAIRWE         Katono Patrick         CP/17517           3 NAKANWAGI         Irene Ruth         CP/1449	CPA J	une 2016 SITTING							
S         Enid         CP/15775           Micheal         CP/13464           SIBWE         Celia Lwamafa         CP/11310           Ivy Linda         CP/17039           Aidah         CP/17039           Ivy Linda         CP/15380           James         CP/15380           UKA         Emmanuel         CP/14412           U         Job         CP/15751           ZI         Sarah         CP/15753           ZI         Getrude Mugimba         CP/15757           WAGI         Irene Ruth         CP/17517           WAGI         Irene Ruth         CP/11484	ZS	SURNAME	OTHER NAMES	REG NO	DEPLOYMENT	COURSE	APPROVED PAPERS	INSTITUTIONS	ONS
Micheal         CP/13464           SIBWE         Celia Lwamafa         CP/11310           Ivy Linda         CP/17039           Aidah         CP/15380           James         02848           JMIRA         Jacob         CP/14412           UKA         Emmanuel         CP/14412           U         Job         CP/15751           ZI         Sarah         CP/15753           ZI         Getrude Mugimba         04249           XWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/11484	_	ACHENG	Enid	CP/15775	AGO/FMS	CPA	6,12	GLOBAL	
SIBWE         Celia Lwamafa         CP/11310           Ivy Linda         CP/17039           Aidah         CP/15380           IMIRA         James         02848           IMIRA         Jacob         CP/14412           UKA         Emmanuel         CP/15751           U         Job         CP/15753           ZI         Sarah         CP/15753           ZI         Getrude Mugimba         04249           XWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/11484	2	AGABA	Micheal	CP/13464	AGO/TIPD	CPA	14,16,17	MAT	
Ivy Linda         CP/17039           Aidah         CP/15380           James         02848           IMIRA         Jacob         CP/14412           UKA         Emmanuel         CP/15751           U         Job         CP/15753           ZI         Sarah         CP/08125           ZI         Getrude Mugimba         04249           WMGI         Irene Ruth         CP/17517           Hanifa         CP/1484	က	AHIMBISIBWE	Celia Lwamafa	CP/11310	AGO/FMS	CPA	9,11	MAT	
Aidah         CP/15380           James         02848           JMIRA         Jacob         CP/14412           UKA         Emmanuel         CP/15751           U         Job         CP/15753           ZI         Sarah         CP/08125           ZI         Getrude Mugimba         04249           XWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/1484	4	AKELLO	lvy Linda	CP/17039	AGO	CPA	9,8,12	MAT	
Milka         James         02848           Jacob         CP/14412           UKA         Emmanuel         CP/15751           U         Job         CP/15753           ZI         Sarah         CP/08125           ZI         Getrude Mugimba         04249           RWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/11484	5	EMADIT	Aidah	CP/15380	AGO/FMS	CPA	15,16	GLOBAL	
IMIRA         Jacob         CP/14412           UKA         Emmanuel         CP/15751           U         Job         CP/15753           ZI         Sarah         CP/08125           ZI         Getrude Mugimba         04249           XWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/11484	9	HIISA	James	02848	Ministry of Education	CPA	18	GLOBAL	
UKA         Emmanuel         CP/15751           U         Job         CP/15753           ZI         Sarah         CP/08125           ZI         Getrude Mugimba         04249           RWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/1784	^		Jacob	CP/14412	AGO/TIPD	CPA	9,11,15	MAT	
U         Job         CP/15753           ZI         Sarah         CP/08125           ZI         Getrude Mugimba         04249           RWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/176862           Hanifa         CP/11484	∞	KIWANUKA	Emmanuel	CP/15751	AGO/FMS	CPA	8,11,17	GLOBAL	
ZI         Sarah         CP/08125           ZI         Getrude Mugimba         04249           RWE         Katono Patrick         CP/17517           WAGI         Irene Ruth         CP/16862           Hanifa         CP/11484	6	MABUYU	dol	CP/15753	AGO/FMS	CPA	11,13,17	MAT	
ZI Getrude Mugimba 04249  RWE Katono Patrick CP/17517  WAGI Irene Ruth CP/16862	10	MBABAZI	Sarah	CP/08125	Ministry of ICT	CPA	8,11	MAT	
Ration Patrick         CP/17517           WAGI         Irene Ruth         CP/16862           Hamifa         CP/11484	1	MBABAZI	Getrude Mugimba	04249	State House	CPA	11	GLORY	
WAGI   Irene Ruth   CP/16862   Hanife	12		Katono Patrick	CP/17517	Ministry Of Finance	CPA	1,2,6	MAT	
Hanifa CP/11484	13	NAKANWAGI	Irene Ruth	CP/16862	AGO/FMS	CPA	8,12	MAT	
tot - / D	14	14 NAKKU	Hanifa	CP/11484	AGO/FMS	CPA	13,14	GLORY	

CPA           CPA           Works         CPA           Ospital         CPA           RH         CPA           CPA         CPA	15	15 NAMANYA	Linnet	CP/13460	AGO/FMS	CPA	13,14,15	GLORY
A         Sylvia         CP/09967         PSC         CPA         9,11           Modestrina         CP/18085         AGO/FMS         CPA         1,2,6           John         04514         Ministry of Works         CPA         13,14,15           Patrick Motoha         CP/07778         AGO/FMS         CPA         13,14,15           Patrick Motoha         CP/15633         Mbarara RRH         CPA         8           Moses         CP/17105         AGO/TIPD         CPA         6,7           Obundika Eva         CP/16166         AGO/FMS         CPA         8,9,12	16	NANSUBUGA	Melanie Kizito	CP/16997	AGO/TIPD	CPA	6,7	MAT
Bertina         CP/18085         AGO/FMS         CPA         1,2,6           John         04514         Ministry of Works         CPA         13,14,15           Patrick Motoha         CP/07778         AGO/FMS         CPA         13,14,15           Patrick         02730         Butabika Hospital         CPA         8           Augustine         CP/15633         Mbarara RRH         CPA         8           Moses         CP/17105         AGO/TIPD         CPA         6,7           Obundika Eva         CP/16166         AGO/FMS         CPA         8,9,12	17	NATUKUNDA	Sylvia	CP/09967	PSC	CPA	9,11	GLORY
John         Dohn         O4514         Ministry of Works         CPA         13,14,15           Patrick Motoha         CP/0778         AGO/FMS         CPA         13,14,15           Patrick         O2730         Butabika Hospital         CPA         8           Moses         CP/15633         Mbarara RRH         CPA         8           Moses         CP/17105         AGO/TIPD         CPA         6,7           Obundika Eva         CP/16166         AGO/FMS         CPA         8,9,12	18	NAYEBARE	Bettina	CP/18085	AGO/FMS	CPA	1,2,6	MAT
Patrick Motoha         CP/07778         AGO/FMS         CPA         13,14,15           Patrick         02730         Butabika Hospital         CPA         8           Augustine         CP/15633         Mbarara RRH         CPA         8           Moses         CP/17105         AGO/TIPD         CPA         6,7           Obundika Eva         CP/16166         AGO/FMS         CPA         8,9,12	19	OCHIENG	John	04514	Ministry of Works	CPA	13,14,15	GLOBAL
Patrick         O2730         Butabika Hospital         CPA         8           Augustine         CP/15633         Mbarara RRH         CPA         8           Moses         CP/17105         AGO/TIPD         CPA         6,7           Obundika Eva         CP/16166         AGO/FMS         CPA         8,9,12	20	OJIAMBO	Patrick Motoha	CP/07778	AGO/FMS	CPA	13,14,15	GLORY
Augustine         CP/15633         Mbarara RRH         CPA         8           Moses         CP/17105         AGO/TIPD         CPA         6,7           Obundika Eva         CP/16166         AGO/FMS         CPA         8,9,12	21	OKELLO	Patrick	02730	Butabika Hospital	CPA	8	MAT
Moses         CP/17105         AGO/TIPD         CPA         6,7           Obundika Eva         CP/16166         AGO/FMS         CPA         8,9,12	22	OMONGIN	Augustine	CP/15633	Mbarara RRH	CPA	8	GLOBAL
Obundika Eva CP/16166 AGO/FMS CPA 8,9,12	23	SSENKINDU	Moses	CP/17105	AGO/TIPD	CPA	2'9	GLORY
	24	TONDOZIO	Obundika Eva	CP/16166	AGO/FMS	CPA	8,9,12	MAT

## CIPS May 2016 SITTING

5	CIL 3 May 2010 311 HIND						
S	SURNAME	OTHER NAMES	DEPLOYMENT	REG NO	COURSE	APPROVED PAPERS	INSTITUTION
-	ARINAITWE	Osbert	OPM	005554349	CIPS	AD1,AD2	UMI
2	BIRUNGI	Charity	Min. of Defence	005483682	CIPS	AD4,PD6	UMI
က	BYARUHANGA	Julius	Kabale RRH	005547430	CIPS	AD2,AD5,AD6	UWI
4	EMERU	James	Gulu RRH	005524462	CIPS	AD1,AD2	UMI
5	SSANYU	Amina	ncı	00545571	CIPS	AD1,AD3,PD4	UWI
9	MOHAMED	Amina	TIPD/AGO	005623776	CIPS	50,50	UMI
7	MURUGUTU	Beatrice Linet	Internal Affairs	005403380	CIPS	AD2,D1	UM1
80	MUSOBYA	Kagubiru Hassan	Internal Affairs	005390760	CIPS	D4,D2,AD2	UMI
6	NALODA	Patrick	Fort Portal	005404639	CIPS	PD1,PD5	UMI
10	NAMUDDU	Ruth	Foreign Affairs	005539729	CIPS	AD3,AD5	UMI
11	11 NANKUNDA	Lilian	Ministry. Health	005431183	CIPS	AD6,PD4,PD6	UMI
12	12 ODUCI	Daniel	Mulago Hosp	005507479	CIPS	AD1,AD2,PD3	UMI
13	13 OLERO	Daniel	AGO	005600428	CIPS	D1,D4,AD1	UWI
14	14 OPENY	Joseph	AGO	005599412	CIPS	D4,D5	UMI
15	15 RUTARAKA	Leevan	Internal Affairs	005457423	CIPS	D3	UMI
16	16 TUMUGUMYE	Caleb	Gulu RRH	005461772	CIPS	AD1,AD3,AD6	UMI
17	17 WANDERA	Dismas	Masaka RRH	005525828	CIPS	D3	UWI
·		0,000					

Source: Office of Accountant General, MoFPED, 2016

	OAG PROFFESSIO	DNAL A	ACCOUNTANTS S	SINCE 2011	
SN	NAME	SEX	TITLE	COURSE	SITTING
1	Nangozi Sharon	F	Α	ACCA	Dec-16
2	Phiona Musoke	F	Α	ACCA	Jun-16
3	Brenda Kyomugisha	F	Α	ACCA	Jun-16
4	Alice Drazuru	F	Α	ACCA	Jun-16
5	Edwin Tukesiga	М	Α	ACCA	Jun-16
6	Ismail Nakendo	М	A	ACCA	Dec-15
7	Rebecca Tuhairwe	F	Α	ACCA	Dec-15
8	Dennis Kasozi	М	Α	ACCA	Dec-15
9	Angella Namulindwa	F	Α	ACCA	Dec-15
10	Birungi Nathanson Chen	М	A	ACCA	Jun-15
11	Tumwesige Douglas	М	A	ACCA	Aug-14
12	Mutesi Juliet	F	A	ACCA	Dec-14
13	Abaho T. Alex	М	A	ACCA	Dec-14
14	Okou C. Joseph	М	A	ACCA	Aug-12
15	Nabawandah Phiona	F	SA	ACCA/CPAU	Dec-14
16	Mbaguta Innoncent	М	SA	ACCA/CPAU	Aug-13
1 <i>7</i>	Patrick Kibirige	М	A	CFE	Dec-15
18	Kibirango Ivan	М	A	CFE	Feb-13
19	Byamukama Joshua	М	A	CFE	Dec-11
20	Mulati Simon Peter	М	Α	CISA	Jun-1 <i>5</i>
21	Mutebi Nathan	М	Α	CISA	Dec-13
22	Olowo Raphael	М	Α	CISA/CFE	Jun-1 <i>5</i>
23	Busulwa Godfrey	М	Α	CPAU	Aug-17
24	Mayanga Ivan	М	Α	CPAU	Aug-17
25	Kasozi Nathanael	М	Α	CPAU	Jun-1 <i>7</i>
26	Karungi Gillian Martha	F	A	CPAU	Jun-1 <i>7</i>
27	Walugembe Faridah	F	Α	CPAU	Mar-1 <i>7</i>
28	Kanyonyi Yusuf	М	A	CPAU	Aug-16
29	Mugawe Samuel	М	А	CPAU	Aug-16
30	Omoda Betty	F	Α	CPAU	Aug-16
31	Fredah Nabanoba	F	Accountant	CPAU	Jun-16
32	Luciano Musiime	М	A	CPAU	Jun-16
33	Akia Angela	F	A	CPAU	Dec-15
34	Cuthbert Ogwang	М	Α	CPAU	Jun-1 <i>5</i>

	OAG PROFFESSIO	DNAL A	CCOUNTANTS S	SINCE 2011	
SN	NAME	SEX	TITLE	COURSE	SITTING
35	Nayiga Fortunate	F	Α	CPAU	Jun-14
36	Tumwesige Douglas	М	Α	CPAU	Dec-14
37	Walubi K. Catherine	F	Α	CPAU	Jun-14
38	Okware Alex	М	Α	CPAU	Jun-14
39	Atuhumuza Gad	М	Α	CPAU	Jun-14
40	Birakwatte Bernadette	F	Α	CPAU	Dec-13
41	Akankwasa Erasmus	М	Α	CPAU	Jun-13
42	Kyohangirwe Catherine	F	PA	CPAU	Jun-12
43	Alum O. Suzanne	F	PA	CPAU	Jun-12
44	Nalumu Ann	F	Α	CPAU	Dec-12

Source: Office of Accountant General, MoFPED, 2017

# ANNEX 9: MATRIX OF RECOMMEDATIONS ON THE PEMCOM PPDA ACTION TO BE MONITORED IN FY17/18

0	Proposed Action Issue Area	Issue	Rec	Recommendations	Timeline	Responsible Centre
	Implementation of High Value/complex projects	Currently there is a capacity gap among procurement practitioners when handling complex high value procurements. Government officials lack limited skills to identify all the activities and requirements leading to time and	rö	The government should consider establishing an independent competent body/committee to handle procurements for complex high value projects.	Short-Medium term	MoFPED/ PPDA
			ف	There is need to conduct a comprehensive study on the challenges of implementing complex/high value projects beyond evaluation and highlight the lessons learnt to inform future project implementation.		
	Implementation of Independent Parallel Bid Evaluation	Evaluation of Bids persists as a high risk stage in the procurement process.	ю	GoU should dedicate resources/funds under the Ministry of Finance to retain IPBE services for procurements above a threshold that could be agreed. This could also be applied to projects of national strategic importance.	Medium to long term	MoFPED/ PPDA
		The IPBE has the potential to improve on the quality of evaluation of the high value procurements with additional benefits like increase bidder confidence, increased	ف	There is need to develop a manual/guide including identifying high spend sectors which can be subjected to IPBE based on agreed thresholds of procurement.		
		competition, decrease in Administrative reviews.	ن	GoU could explore the Gate way Review Process to mitigate problems that may be outside the stage of evaluation e.g. at development of specifications. The gateway review process involves a feam of external practitioners who use their		
		The limitation of the approach is that it is expensive and it is not clear what happens in the event of a disagreement between the different committees.		experience and expertise to provide owners of a program/ project timely, independent and confidential advice at key decision points regarding progress and likelihood of delivery success at all the stages of the procurement process.		
			ъ	There is need to conduct an efficiency study on the implementation of IPBE and the gate way Review Processes.		
			ەن	Shortlist reputable firms that can conduct IPBE		
			_			

S S	Proposed Action Issue Area	Issue	Recommendations	Timeline	Responsible Centre
ო	Lack of adequate capacity to conduct Forensic Audits	PPDA lacks technical capacity in conducting forensic procurement audits and investigations especially for high risk Entities, high value and complex procurements. There is general agreement that most of the recent suspected fraud and corruption cases are linked to procurement and disposal of public assets. There is therefore a need for PPDA to acquire skills in forensic audits/investigations.	<ul> <li>a. PPDA is in the process of signing an MoU with Strengthening Uganda's Anti-Corruption and Response Technical Assistance Facility (SUGAR) to provide technical support in the establishment of a forensic unit with the necessary equipment and train PPDA staff in forensic auditing/investigation skills</li> <li>b. The Authority will identify gaps in the institutional arrangements for forensic audits, staffing levels, technical skills and make recommendations necessary for addressing the identified gaps for Office of the Auditor General, Internal Auditor General and PPDA.</li> </ul>	Short to Medium term	PPDA, SUGAR, OAG, Internal Auditor General
4	Engaging Civil Society Organizations:	The Authority conducts capacity building programmes for different stakeholders, including CSOs aimed at enhancing their public procurement and disposal skills, sharing experiences and solutions on the challenges faced in public procurement in order to improve performance.  One of the concerns raised during these training sessions/barazas was the issue of sharing procurement and disposal information with CSOs to facilitate contract monitoring at the Entities especially, the districts.	<ul> <li>a. Identify and sign MoUs with prominent CSOs with whom collaborations can be made to monitor contract implementation.</li> <li>b. Assess the capacity of CSOs and train them on the required skills for contract monitoring and reporting.</li> <li>c. Ensure full implementation of the Memorandum of Understanding signed between PPDA and Contract Monitoring Coalition Uganda (UCMC) aimed at promoting transparency and access to information on procurement.</li> <li>d. Encourage Entities share information on procurement plans and also invite CSOs to participate in signing of Contracts.</li> <li>e. There is need to follow up on the MoUs signed with key sectors including Agriculture, Health, Environment and Education and also encourage MoUs with CSOs at the Local Government level.</li> <li>f. Identify Key Donor Partners willing to facilitate improved linkages between CSOs and oversight agencies through programmes such as DGF, GAPP, GIZ, SUGAR etc.</li> <li>g. PPDA should engage Accounting Officers in Entities to provide advance information to the community should also be sensitized on how to report corruption cases. This way, there will be assurance of involvement all important stakeholders in some form of ownership</li> </ul>	Short to Medi- um term	MoFPED, PPDA, CSO's, Donor Part- ners

<sup>o</sup> N	Proposed Action Issue Area	Issue	Recommendations	Timeline	Responsible Centre
ro.	Preference Schemes:		a. PPDA should identify broad categories of Supplies, Works and Immediate Services by value to which preference schemes shall apply.	Immediate	PPDA/
		providers fail at the technical stage.	<ul> <li>b. PPDA to accordingly review the margin of preference percentages after consultations with stakeholders e.g. PDEs, Trade associations etc.</li> </ul>		МоҒРЕП
		The Authority should consider provisions for mandatory sub-contracting to promote local	<ul> <li>C. PPDA to recommend piloting of the preference scheme on the basis of either value or sectors for a given period of time.</li> </ul>		
		providers with the development of the local content strategy.	<ul> <li>d. PPDA to monitor PDEs on the use of the preference scheme and follow-up on key challenges and periodically share with trade associations and relevant MDAs on how to improve.</li> </ul>		
			<ul> <li>PPDA, MoFPED &amp; MITC should conduct rigorous training of business communities on the theme: preference scheme and its benefits</li> </ul>		
			f. The Authority should benchmark from the neighbouring countries and consider reviewing the framework to include provisions of mandatory sub-contracting. Joint ventures.		
9	PPDA/0PM Barazas S Dialogue on Pro-	PPDA & OPM currently conduct indepe barazas at District/Regional level to pr	a. Harmonise Baraza approaches for РРDA & ОРМ to minimize fatigue and benefit from the synergies.	Short-Medium	PPDA/0PM
	curement Issues:	reedback from the public and USU. PPUA could work more closely with the OPM on the	b. Simplify messages on Public procurement for the communities.		
		implementation of these barazas as they share	c. Explore translating these messages into the local languages.		
		the same objectives.	<ul> <li>d. Identify a few regional champions to conduct Barazas in the absence of PPDA/OPM.</li> </ul>		
		·	e. Engage in more open dialogue with specialized CSOs, service providers and procurement officials to develop a better understanding of the problems facing procurement and to help define new mechanisms/incentives to promote transparency		
			and discourage corruption in public procurement		

No No	Proposed Action Issue Area	Issue	Recommendations	Timeline	Responsible Centre
0	Low Staffing Levels Across Government:	Across Government:  Across Government:  of staffing gaps. The national budget has significantly increased over the years with minimal increases in the number of technical staff in User Departments to oversee implementation of government projects. Government needs to recruit additional staff, especially at the district level.	a. Government should conduct a comprehensive assessment of Medium to Long the existing structures as some Local Governments have since term changed due to the creation of more districts.  b. MoFPED should undertake stock taking of cadres employed vis-à-vis the positions available, establish the gap in staffing and structure, review nature of work and workload in PDE's and draw appropriate measures on whether to train, recruit, downsize PDU structures or expand PDU Structures  c. MoFPED should fast track the legislation of IPPU.	Medium to Long term	Mof PED, MPS, MoLG
E	Building Capacity of Internal Auditors:	<b>Building Capacity of</b> Internal Auditors lack the adequate capacity in public procurement. There is need to strengthen internal controls and minimize risks of corruption at the Entities.	<ul> <li>a. Map the capacity gaps through staff assessment &amp; design Short-Medium appropriate capacity building initiatives</li> <li>b. PPDA should share the Annual Audit reports with the office of Internal Auditor General.</li> <li>c. Share follow up reports to Entities for their further follow up and escalation to higher authorities (PS/ST)</li> <li>d. Share with PPDA their forensic infrastructure and train PPDA staff on forensic approaches.</li> <li>e. Encourage the Internal Auditors to use the PPDA's E-learning platform on emerging issues in public procurement.</li> </ul>	Short-Medium term	PPDA

% V	Proposed Actio Area	Action Issue	Recommendations	Timeline	Responsible Centre
5	Low Perception in Public Procurement:	in The National Integrity Survey undertaken in 2015 showed deterioration in bidders' confidence in the public procurement process from 30% in 2009 to 28 % in 2015 as a result of perceived widespread corruption.  New strategies should be developed with emphasis on demand by the public for accountability and enhance investigations, prosecution, recovery of assets and sanctions as a deterrent measure.	<ul> <li>a. Develop stringent guidelines and procedures to address conflict of interest among Entities.</li> <li>b. Fast-track establishment of e-procurement to enhance transparency.</li> <li>c. Publicize corrupt officials and tighten the punishment for corruption to make it extremely high risk.</li> <li>d. There is need to increase funding to address PPDA staffing gaps to effectively execute her mandate and increase coverage of investigation of corruption cases.</li> <li>e. Ensure political will at all levels to stamp out corruption in public offices.</li> <li>f. Engage CSOs to ensure close supervision and monitoring of public projects and also improve perceptions.</li> <li>g. PPDA should enhance its visibility to the public.</li> <li>h. Conduct media campaigns to demonstrate the successes of public procurement.</li> <li>i. Conduct meetings with service providers to capture and address their challenges in public procurement.</li> </ul>	Medium to Long term	MoFPED, PPDA, DEI, Donor Partners
4	Recognizing Good Performers:	Currently there are two forms of awards to recognize good performers in public procurement: the IPPU annual awards and the PPDA recognition of the most compliant PDEs in the year. It is not clear whether the parameters for assessment are different but one is a peer award while the other is by the regulator	<ul> <li>a. IPPU &amp; PPDA should harmonise their criteria for best performing Entities to avoid discrepancies.</li> <li>b. The award categories could also be broadened to cover the different types of Entities, most improved as well as an innovation award. The cross cutting committee of eminent persons would come up with an agreeable criteria and the category for the awards.</li> <li>c. There is need to recognize projects that have executed successfully as this will also improve the perceptions on public procurement.</li> <li>d. The Authority should also sanction worst performers</li> </ul>	Short-Medium PPDA/ term IPPU/ MoFPE	PPDA/ IPPU/ MoFPED
5.	Public Procurement Policy.	<b>nt</b> Procurement Policy is currently at cabinet submission level.			MoFPED, MoLG

## ANNEX 10: REFORM ACTION MATRIX AS AT AUGUST 2017

			Date of	Status
		:	Completion	Met
	PFM Keform Ubjectives and Actions	Responsibility	Met On track	On track
			Not Met	Not Met
Object	Objective 1: Strengthen implementation of internal and external audit recommendations	udit recommendationS		
1.1	The OAG to develop guidelines and systems to enable regular reporting on implementation of audit recommendations by entity, risk level and type.	OAG IAG	D e c e m b e r 2017	Operational guidelines by IAG
1.2	Internal Auditor General to report on key findings from the Consolidated Internal Audit report and action taken on audit recommendations of FY 16/17 (65% target).	PS/ST and Internal Auditor General	October 2017	Draft Report undergoing internal review
1.3	Parliament to provide current status on outstanding PAC reports and provide Action Plan for clearing the backlog.	Parliament	September 2017	<b>On Track:</b> Parliament to determine action on items in reports. Action Plan to be prepared with new Parliament Committees. Parliament is focusing on the current 2015/16 reports before clearing the backlog.
1.4	Accountant General and Parliament to develop systems for timely production of Treasury Memorandum and report on Treasury Memoranda implemented.	Accountant General/ Parliament	February 2017	<b>Met:</b> Accountant General now current on Treasury Memoranda.
1.5	Procure Services for the audit of the Office of the Auditor General	Parliament/ MoFPED	August 2017	Met: Certified Public Accountants were selected to conduct the audit of the Auditor General following a Resolution of Parliament.
<b>Object</b>	Objective 2: Comprehensive PFM legal and regulatory framework developed and enforced	developed and enforced		
2.1 UF	2.1 Update and disseminate revised Treasury Instructions in line with the 2015 PFM Act and related PFM regulations, including information on transparency and sanctions to promote compliance.	Accountant General	October 2017	<b>On Track</b> : For publication

		Date of	Status
	:	Completion	Met
PFM Reform Objectives and Actions	Responsibility	Met On track	On track
		Not Met	Not Met
2.2 Develop harmonised guidelines for disciplinary procedures and sanctions non-monetary rewards for good performance, which are compliant with the Public Service Standing Orders and the PFM Act, including sanctions against AOs of votes accumulating expenditure arrears and /or mischarging against budget lines.	MoFPED	January 2018	<b>On track:</b> Draft is in place. Consultations to be conducted.
2.4 Restructuring of MoFPED	MoFPED	January 2017	Met
Objective 3: Strengthen budget management			
3.1 Finalise and disseminate Public Investment Policy, as well as the Project Appraisal User Manual to MDAs and update the Development Committee Guidelines to align with the new Manual.	D/B	D e c e m b e r 2016	Met
3.2 Report on progress and challenges of Programme Based Budgeting roll out and integration of PBS with IFMS	D/B Accountant General	N o v e m b e r 2017	Integration is contingent upon Data Centre Upgrade after which testing and security reviews will be conducted.
Objective 4: Value for money and increased compliance with procurement regulations	rement regulations		
4.1. Accountant General to develop and implement the National Public Sector Procurement Policy, including action to strengthen accountability and transparency of high value contracts, and non-compliance with regulations.	Accountant General	D e c e m b e r 2017	<b>On track:</b> Updated with comments from Cabinet and re-submitted for final review
4.2 PPDA to draft amendments to the LG PPDA Regulations.	MoLG/PPDA	D e c e m b e r 2017	On track: Technical Working Group finalised reviewing the amendments to LG PPDA Regulations. However, based on the on-going review of the PPDA Act as directed by the Minister of Finance, finalisation of the review of PPDA LG Regulations has been put on hold awaiting harmonisation with those of the Central Government Regulations after the main law is passed.

		ام مادل	Status
	:	Completion	Met
PFM Reform Objectives and Actions	Responsibility	Met On track	On track
		Not Met	Not Met
4.3 PPDA to commence design of e-GP with full integration to IFMS and other related PFM systems	PPDA	S e p t e m b e r 2017	On Track: a) Procurement for supply, installation, commissioning and maintenance of the eGP system is on-going. Contract is expected to be signed by end of September, 2017. System development to ensue. Go Live date is July 1, 2018 with 10 pilot Entities.  b) Change management /capacity building activities have started and are expected to continue throughout the project life.
			c) 60U counterpart contribution as required by the PAD is not forthcoming which may slow down the implementation of eGP due to staffing gaps. This has been the main challenge of the projecf.
4.4 Review public procurement compliance monitoring, reporting and enforcement mechanisms/ framework.	РРДА	June 2017	Met: Study was conducted and consultant's report was shared separately with PEMCOM. A follow up action matrix has been extracted to aid implementation of the study recommendations.
4.5 Establish an independent competent committee to handle procurements for high value projects.	MoFPED/PPDA	February 2017	Contingent upon completion of the law
4.6 Conduct an efficiency study on the use of Independent Parallel Bid Evaluation and the Gateway Review Process as a means to improve procurement of high value contracts above an agreed threshold.	MofPED / PPDA	ToR by De- cember 17/18	<b>On track</b> – included in FY 2017/18 FINMAP budget. Procurement of consultant has begun. Study is expected to be completed in Q2.
4.7 Report on progress in promoting transparency in procurement and engaging with CSOs to monitor procurement actions and contract implementation.	PPDA	D e c e m b e r 2017	PPDA has signed an MOU with CSO's (Africa Freedom of Information Centre – AFIC), AFIC is supporting enhance public access to the Portal and Transparency International is involved in awareness campaigns in the Central Region.

		Date of	Status
	:	Completion	Met
PFM Reform Objectives and Actions	Responsibility	Met On track	On track
		Not Met	Not Met
Objective 5: Enhanced efficiency in revenue administration and improved compliance	n and improved compliance		
5.1 URA performance monitoring to be updated with TADAT indicators and transparent reporting.	DEA / URA	June 2017	Met
5.2 DRM Task Force to develop comprehensive strategy for improved domestic resource mobilisation, including URA performance monitoring, revenue analysis / forecasting, and strengthened compliance strategies and administration.	DEA / URA	N o v e m b e r 2017	On Track: Draft Strategy was presented at the PTC.
Objective 6: Improved data quality and performance of PFM systems	-M systems		
6.1 Report on progress for the migration of LG Tier 2 sites to IFMS Tier 1, including adjustments to IFMS Tier 1 required to meet the business processes of LGs	Accountant General /MoLG	March 2018	On Track; 26 sites (2017/18) and 33 Sites (2018/19) Scheduled but funding constraints persist
6.2 Report on progress of integration of PFM systems (IFMS, CEMAS, PBS, DMFAS, payroll/HR, Aid Management/PIMIS, URA)	Accountant General/ED NITA-U	Report Progress by December 2017	Accountant General provided a mapping of IFMS rollout with NITAU rollout plan Status report attached
6.3 Report on progress in reducing IFMS system downtime and link IFMS through a reliable and affordable National Backbone Infrastructure.	Accountant General/ NITAU	D e c e m b e r 2017	NITAU to report
Objective 7: Improved timeliness, accuracy and accountability of GoU Payroll	oU Payroll		
7.1 Develop detailed and costed plan for transition from IPPS to new payroll/ Human Capital Management (HCM) system	MoPS	May 2017	Costed Roadmap developed and presented to the Steering Committee
7.2 Report on progress of decentralisation and verification of pensioners	MoPS	June 2017	On-going – first phase complete. Further work required to match with National IDs. Currently 20,000 unverified pensioners.
Objective 8: Improved debt and cash management			

			Date of	Status
	1	<del>;</del>	Completion	Met
PFM Reform Objectives and Actions	Res	Responsibility	Met On track	On track
			Not Met	Not Met
8.2 Draft and sign MoU between MoFPED and BoU on bank accounts, TSA management to guide processes, controls and management of EFT/STP transactions; and macroeconomic management.		DEA	September 2017	<b>On Track</b> : Finalised upon agreement on charges. Submitted to BoU awaiting signature by Hon. MoFPED and Governor.
8.3 Treasury to implement at least 90% of FY 2017/18 cash flow plans for the education, health, water and environment, and works and transport sectors.		DB	June 2018	On track: Assessment moved by 1 year ahead
8.4 (a) MoFPED to publish semi-annual reports on the stock of domestic arrears in MDAs (PSI Benchmark) and		IAG	September 2017	September <b>On Track</b> : The IAG has validated arrears and an action 2017 plan will be drawn up by D/Budget
8.4 (b) Provide an action plan for clearing of domestic arrears.	Accountant Ge	Accountant General/Director Budget	September 2017	September Draft Strategy under internal review. Carries 2017 categorisation of arrears.
Objective 9: Strengthen Public Finance Management in Local Governments	ocal Governments			
9.1 Implementation of the LG Financing Strategy, including roll-out of standardised database of top 5 sources for local revenue completed in at least 24 Districts	MoLG/LGFC	February 2018		<b>On track</b> -16 Districts were covered by June 2016. Another 8 to be covered by December 2017
9.2 Develop simplified bookkeeping and accounting formats/systems and guidelines for LLGs, schools and health centres.	MoLG/Accountant General	June 2017		Completed. To progress dissemination

## ANNEX 11: IMPLEMENTATION OF EXTERNAL AUDIT RECOMMENDATIONS IN FY2016/17

Š.	Observations	Management Response	Auditors Advice	Management Action	Status
<del></del>	Discrepancy between expenditure in quarterly reports and ledgers	The inaccuracy of the Customized Expenditure by Activity Report is attributed to the fact that it only came into operation in the second quar-	Management should ensure that quarterly financial reports are derived	Management now extracts all its quarterly Financial reports from the underlying accounting	We engaged Accountant General's Office
	The Program Management Team is required to prepare and submit quarterly financial reports to Development Partners. During our audit,		from underlying accounting records	records i.e. the ledgers	and they are handling the matter
	we noted a discrepancy between cumulative quarterly report expenditure and the under-	Management commits to constantly do reconciliation between the Customized Expenditure			
	lying ledgers amounting to Ugx 160,076,181	by Activity Report and the IFMS generated accounts on a monthly basis and follow up and resolve any variances.			
2	Accounting for Advances	Management explained that the cash refunds in respect of advances for the previous financial vear were clearly disclosed in the financial	Management should ensure that activity advances are recorded as ad-	The Advances issue is work in progress with Accountant General to look for away how it	
	It was noted that activity advances are expensed on disbursement before the activity is implemented and any balances on account-	other income quite distinct from eign governments which the pro-	vances until accountability is received. On receipt of	can encumber the funds on a given budget line. However	
	ability after year end is receipted as other Income.	growning the financial year.	accountability, me appro- priate expenditure code should be charged.	management has rightened on internal Controls for accountable advances to minimize such	
	This Accounting treatment misrepresents the			incidences.	
	In the FY ended June 30th, 2016, the amount wrongly included as other incomes in respect			The introduction of e-cash solutions by AGO will help.	
	of the advance accountability was UGX 55,906,855.				
က်	Bank Balance Reconciliation	Management explained that unreconciled dif- ference was actually Ugx 10,794,099 oc-	Management should properly reconcile the	Management was able to reconcile the cashbook balances	Implemented
	The Bank balance on the on the project account number 0008008400229 FINMAP III Operations Account – UGX included in the statement		cashbook balances in- cluded in the project fi- nancial statements to the	with project financial statements as at 30th June 2016, has embarked on daily reconciliation.	
	of financial position was not properly reconciled as at 30th June 2016. The cashbook bal-	sequent month (July 2016) and evidence was provided.	bank statement balance as at 30 <sup>th</sup> June 2016.		
	ance was Ugx 388,066,003 while the statement balance was Ugx 413,846,832 hence a				
	difference of Ugx 25,780,829.				



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