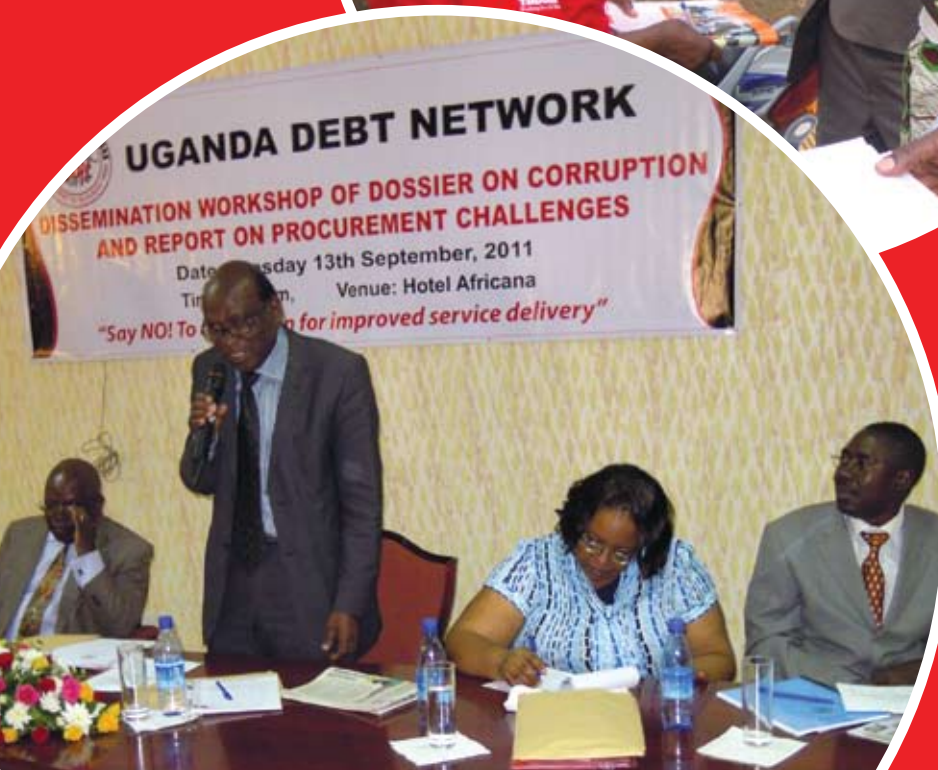




UGANDA DEBT NETWORK



Annual Report
2011

MAP OF UDN OPERATIONAL DISTRICTS

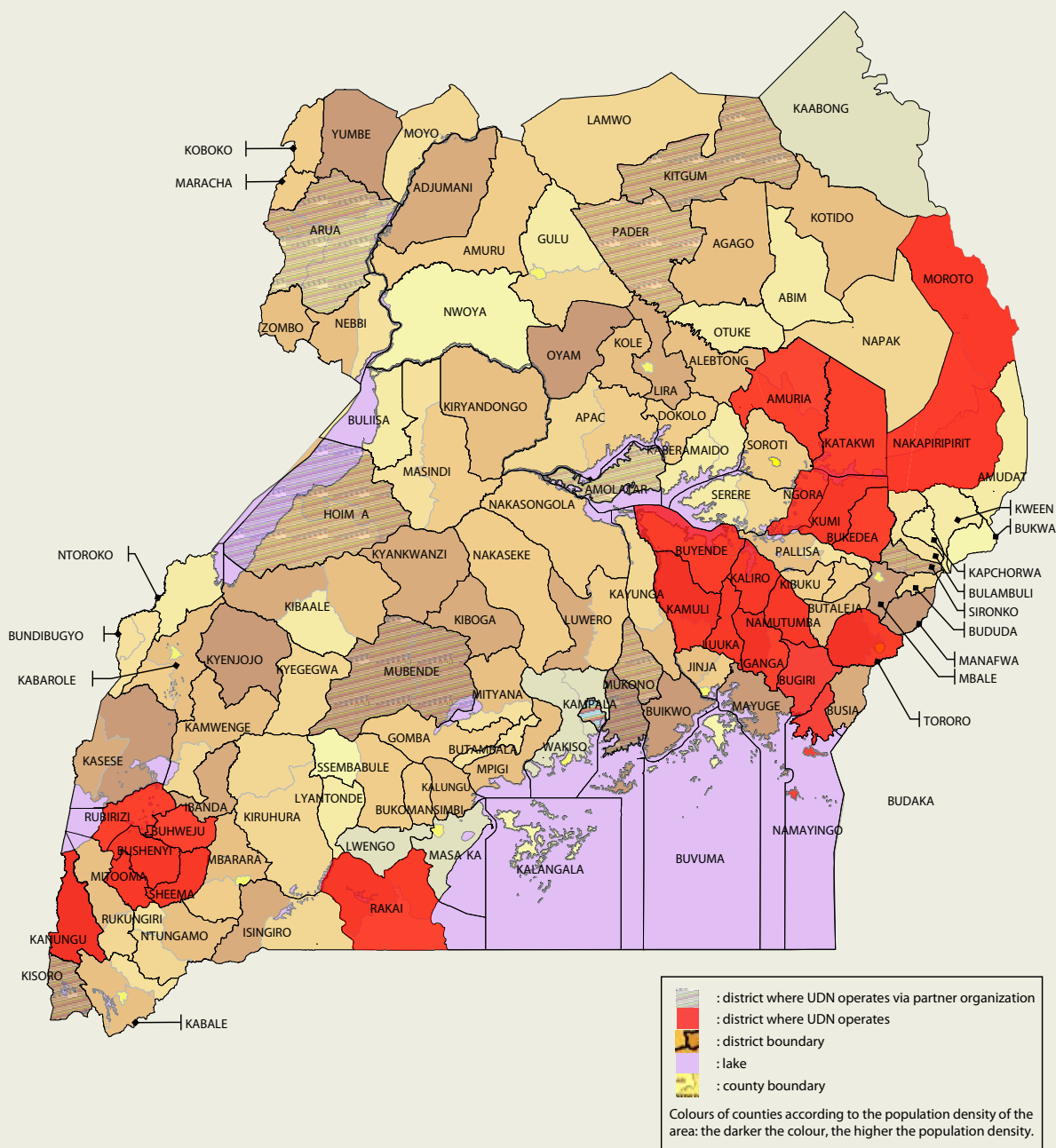


Table of Contents

Acknowledgments.....	iii
Message from the Executive Director.....	iv
Executive Summary.....	v
1.0 Introduction	1
1.1 UDN Background.....	1
1.2 Vision, Mission and Values.....	1
1.3 Governance and Administration.....	2
2.0 Programme Implementation	5
2.1 Community Participation and Empowerment Programme.....	5
2.2 Policy Analysis and Social Economic Research Programme.....	13
2.3 Budget Advocacy Initiative Programme.....	19
2.4 Governance and Rights Programme.....	27
2.5 Civil Society Capacity Building Programme.....	35
2.6 Institutional and Organizational Development Programme.....	41
3.0 Challenges, Lessons Learnt and Way Forward	44
3.1 Challenges.....	44
3.2 Lessons Learnt.....	44
3.3 Way Forward.....	44
4.0 UDN Income Statement for 2010/2011	46
Appendices	
Appendix 1: List of UDN Staff Members as at December 2011.....	48
Appendix 2: Senior Management 2011.....	49

List of Abbreviations

BAI	Budget Advocacy Initiative
CBE	Capacity Building and Empowerment
CBMES	Community Based Monitoring and Evaluation System
CBO	Community Based Organization
CDF	Constituency Development Fund
CoU-TEDDO	Church of Uganda-Teso Diocese Development Planning Office
CPE	Community Participation and Empowerment
CSBAG	Civil Society Budget Advocacy Initiative
CSO	Civil Society Organization
DEO	District Education Officer
EASSI	Eastern African Sub-regional Support Initiative
FOWODE	Forum for Women in Development
G&R	Governance and Rights
HIPC	Highly Indebted Poor Countries
IBP	International Budget Partnership
JARD	Joint Annual Review of Decentralization
KACITA	Kampala City Traders Association
KFM	A Nation Media Group FM radio station
LG	Local Government
MDGs	Millennium Development Goals
MoFPED	Ministry of Finance, Planning and Economic Development
MoLG	Ministry of Local Government
MONARLIP	Moroto Nakapiripirit Religious Leaders Initiative for Peace
MP	Member of Parliament
NAADS	National Agriculture Advisory Services
NDP	National Development Plan
NBS	Nile Broadcasting Service
NGO	Non Governmental Organization
NTV	Nation Television
PEAP	Poverty Eradication Action Plan
PFA	Prosperity for All
PPDA	Public Procurement and Disposal of Public Assets Authority
PTA	Parents Teachers Association
SACCO	Savings and Credit Cooperative Organization
SAPP	Strategic Advocacy Programme and Plan
SEATINI	Southern and Eastern African Trade Information
SMC	School Management Committee
SCC	Service Client Charter
UBC TV	Uganda Broadcasting Corporation Television
UDN	Uganda Debt Network
USAID	United States Agency for International Development

Acknowledgement

We acknowledge the invaluable contribution of our members and development partners who have unwaveringly shown their commitment to our noble ideals by extending their support, in cash or kind, to enable us realize our Vision and Mission through implementing our programme work during the year. Without your generous support, Uganda Debt Network might not have been able to accomplish its set targets.

We are profoundly grateful and indebted to our donors, namely: Trocaire, Concern Worldwide, DanChurchAid, Christian Aid, International Budget Partnership (IBP), Idasa, Cordaid, TIRI, Wellspring, Actionaid and USAID-Linkages, for the generous financial support to the organization.

We wish also to thank our Members, the Board of Directors, partners at the community level, Task force members and other stakeholders whose continued interest in and support for our work has always given us the energy and will to champion the cause of the poor and marginalized people of Uganda.

We remain open and receptive to all friends and development partners who wish to identify with the objectives of UDN, by extending financial support or joining our growing Membership.



*Patrick Tumwebaze
Executive Director*

Message from the Executive Director

Greetings from Uganda Debt Network!

During the year, UDN went through a rigorous external evaluation of its fourth Strategic Advocacy Program and Plan (SAPP) 2009-11, to assess the impact of programmes implemented over the three-year plan. As a result, the organization was able to formulate a new strategic plan to guide its work over the next five years. I am therefore, gratified to all partners who made it possible for us to introduce this last Annual Report of activities implemented during the final year of our fourth SAPP.

I wish on behalf of the Board of Directors and the Staff to thank all Partners whose unwavering and generous contribution facilitated the successful implementation of our strategic plan. They believed in and walked the journey with us, to enable UDN fulfill its commitment to reduce Uganda's foreign debt, eradicate poverty, empower the poor and marginalized people to effectively participate in policy processes and monitor the government's poverty-reduction programs and combat corruption.

I would also like to thank the Board, whose current term of office expires by the next Annual General Assembly in 2012, for the tremendous dedication and energy they put to sustain UDN's image as a leading pro-poor advocacy organization in Uganda. In particular, I applaud the Board for spearheading the process leading to the development of our new ambitious but focused five-year Strategic Plan.

Lastly, but not least, I thank all our supporters and Members for their continued belief in UDN's Vision and Mission, as this has reinvigorated us stay the course in advocating for the interests of the poor and marginalized people of Uganda. We could not have achieved our targets without the tireless efforts and commitment of the staff. I thank them and urge them to take this enthusiasm into the next year.

Since May 2000, UDN started implementing the Community Based Monitoring and Evaluation System (CBMES) through its Poverty Monitoring Committees (PMCs). These PMCs - composed of representatives of communities who carry out continuous monitoring – have expanded from an initial four districts to cover 23 districts of Uganda. I wish to congratulate all the monitors for the tremendous job they have done so far.

As I conclude, I wish to stress that UDN has continued to grow into a strong network that requires your unwavering support and increased participation. I pray that you continue to render the same service in the coming year.

Executive Summary

By December 2011, UDN wound up implementing its fourth three-year Strategic Advocacy Program and Plan (SAPP), for the period 2009 – 2011. As this was the last year of the SAPP implementation, it was prudent for UDN to undertake an external evaluation of its program implementation, in preparations for unveiling an even more focused strategic plan for the next years. This evaluation was not only instrumental in the birth of a new five-year SAPP for the period 2012-16, but also provided a critical analysis of the achievements and outcomes of UDN's activity implementation during the last year of its fourth strategic plan, under six programme areas -a) Community Participation and Empowerment, b) Policy Analysis and Socio-Economic Research, c) Budget Advocacy Initiative, d) Governance and Rights, e) CS Capacity Building and f) Institutional and Organizational Development.

The Community Participation and Empowerment programme expanded the coverage of the CBMES to include four new sub counties, including two in Moroto district where monitoring activities was introduced during the reporting period. In addition, the programme contributed towards the implementation of the Public Service Client Charters that aims at setting standards for assessing the performance of the service delivery. The programme also contributed to the review of the JARD by disseminating the JARD undertakings for 2011 in five UDN districts of operation. The programme also undertook a needs assessment of agriculture in four districts with the aim of assessing availability and accessibility of extension services to farmers.

During the year, the Policy Analysis and Socio-economic Research programme undertook a study to review and analyze the status of Uganda's External Debt. The study assessed the effectiveness of debt cancellation, as well as the impact of debt on Uganda's growth and development efforts. In addition, the programme conducted another study in Moroto and Nakapiripirit districts in Karamoja to assess the extent to which Uganda has implemented Value-addition as a key component of PFA and whether the programme has led to improved household incomes.

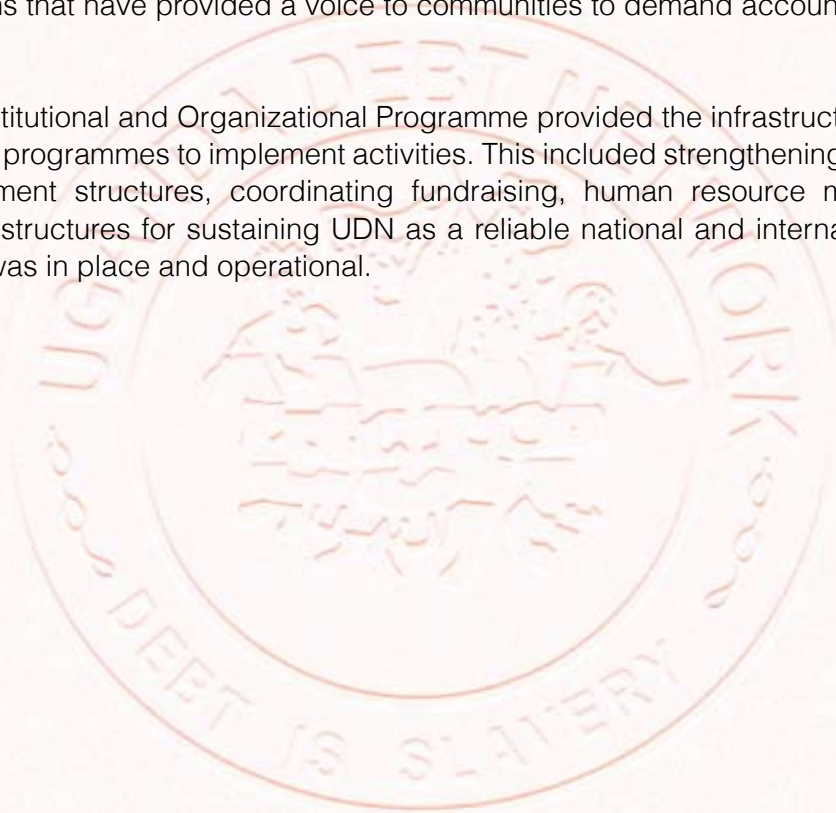
Under the Budget Advocacy Initiative programme, UDN undertook a review and analysis of the 2011/12 national budget to ascertain the extent to which revenue and expenditure proposals impact on poor people, as well as analyzing the extent to which previous national budgets had been successfully implemented. The review findings indicated that over 60% of the previous budget proposals had not been effectively implemented and that the few that were implemented did not benefit intended beneficiaries. The programme also conducted capacity building of CSOs in budget analysis techniques.

The Governance and Rights programme championed the campaign to increase public awareness of the nature, extent and consequences of corruption in Uganda by publishing its compiled study named the Dossier on Corruption. The dossier analyzed the government's commitment

to tackle corruption. In addition, UDN also undertook a study in 8 districts to assess the causes of procurement malpractices in government and local government levels. The programme also contributed to creating empowering citizens to demand for transparency, accountability and improved service delivery from duty bearers by simplifying the Access to Information Act 2005 to enable the common person comprehend its content.

The capacity building programme coordinated training for partners and small scale farmers from eight districts to enhance their understanding of the CBMES process. In addition, it coordinated the design, printing and dissemination of UDN publications which improved public awareness of UDN programmes. The programme also ensured sustainability of UDN-sponsored radio programs that have provided a voice to communities to demand accountability from their leaders.

Finally, the Institutional and Organizational Programme provided the infrastructure that enabled the other core programmes to implement activities. This included strengthening the governance and management structures, coordinating fundraising, human resource mobilization, and ensuring that structures for sustaining UDN as a reliable national and international advocacy organization was in place and operational.



1.0 Introduction

1.1 UDN Background

UDN was established in February 1996 as an ad hoc coalition of 26 Non-Governmental Organizations, individuals, and representatives of religious and academic institutions. UDN was registered as an NGO in 1997 and in December 1999, UDN was registered under the Companies Act (Cap. 85) as a company limited by guarantee.

In 2007 the UDN Constitution was revised with new provisions for an inclusive membership, an extended term of office of the Board of Directors from two to three years, regulations for operations of the Board of Directors and creation of an Endowment Fund. These changes have strengthened the governance structures and systems in the organization with clear responsibilities and roles and a stable relationship between different organs.

At its inception, UDN was formed to lobby and advocate for Uganda's debt relief under the Highly Indebted Poor Countries (HIPC) Initiative by the World Bank and International Monetary Fund (IMF). Uganda qualified for debt relief, with the condition that debt relief funds should be used to fund programs that would contribute to poverty reduction in Uganda. UDN then focused on monitoring the utilization of poverty reduction funds to ensure that they benefit poor and marginalized Ugandans, lobby and advocate for pro-poor policies and budget allocations; advocate for transparency and accountability in resource utilization and demand for action against corruption. The positive results derived from the relief have been manifested in Uganda's investments in the social sector, especially in Education, Health, infrastructure, water and sanitation.

In the last year of its fourth Strategic Advocacy Program and Plan (SAPP), UDN operated under five thematic areas, namely: a) Community Participation and Empowerment Program; b) Policy Analysis and Social Economic Research Program; c) Budget Advocacy Initiative Program; d) Governance and Rights Program; and e) Civil Society Organization Capacity Building Program. The sixth program caters for UDN's Institutional and Organizational Development.

1.2 Vision, Mission and Values

Vision: A prosperous Uganda, with equitable development, and a high quality of life for the people.

Mission: UDN works to promote and advocate for pro-poor policies and full participation of poor people in influencing poverty-focused policies, monitoring the utilization of public resources and ensuring that borrowed and national resources are prudently managed in an open, accountable and transparent manner so as to benefit the people of Uganda.

Values

The following are the core values of the organization:

- Fairness and social justice
- Gender equality
- Accountability and transparency
- Prudent use of resources to increase poor people's welfare
- Access to and equitable distribution of national resources
- Facilitating citizens' participation
- Giving voice to the poor and marginalized
- A rights-based approach to human development
- Participation of poor and marginalized people in their democratic governance.

Strategic Goals

UDN is driven by the following strategic goals:

- i) Ensure that Uganda emerges from being a debt-burdened poor country and embarks on the road to sustainable development, growth and poverty eradication.
- ii) Ensure that macroeconomic and budget policies are participatory and incorporate the concerns and interests of poor people.
- iii) Mobilize the public to ensure accountability and transparency in policy formulation and planning and in the utilization of public resources.
- iv) Ensure that UDN becomes an effective lobbying and advocacy organization, able to mobilize civil society to influence policy planning at national and local levels.

1.3 Governance and Administration

- Annual General Assembly
- Board of Directors
- Secretariat

The Annual General Assembly

The Annual General Assembly (AGA) is composed of all UDN's registered and paid-up members; and it is the supreme governing organ of the organisation.

Board of Directors

The Board is UDN's policy-making organ. The Board also gives strategic guidance to the organization. The current Board, comprising of four men and three women, was elected for a three-year term at the Annual General Meeting on 28 May 2009 from among UDN's membership. Their term expires in May 2012.

UDN Board Members 2009-2012



Prof. Edward Kakonge - Chairperson (Re-elected)



Ms. Charlotte Mwesigye
Vice Chairperson



Mr. Julius Othieno
Secretary (Re-elected)



Mrs. Lydia Rugasira
Treasurer



Hon. Geoffrey Ekanya
Member (Re-elected)



Mrs. Albina Opio
Member (Re-elected)



Mr. Ralph Ochieng
Member (Re-elected)

The Secretariat

The Secretariat is the planning, implementation and monitoring organ of the network. It is headed by the Executive Director (ED) who provides effective leadership and gives guidance to the management for the smooth running of the organization.

A mother joins monitors during the launch of CBMES in Moroto District in August 2011.



2.1 Community Participation and Empowerment programme

The Community Participation and Empowerment programme (CPE) aims at empowering communities to advocate for their rights and hold their leaders accountable for improved service delivery in their localities. CPE has continued to use different approaches to promote down accountability which include the following approaches: a) Joint Annual Review of Decentralization (JARD); b) The Beneficiary Assessments; c) Community Based Monitoring and Evaluation System (CBMES) and, d) Public Service Client Charters.

2.1.1 Joint Annual Review of Decentralization (JARD)

The JARD is an annual event that is organized by the Ministry of Local Government to review the implementation of the decentralization policy at local government level. In the previous year, UDN represented civil society organizations in the JARD Organizing Committee which is a platform that coordinates preparations for the inter-ministerial, donors and civil society activities in preparation of monitoring and reviewing of the JARD commitments. To effectively contribute to the review of the JARD, UDN held consultative meetings at both local and national government levels to disseminate the 2011 JARD undertakings in UDN districts¹ of operation. In Moroto district, UDN facilitated a joint consultative meeting with MONARLIP, community monitors and local government officials to review JARD progresses. As a result of the meetings organized, the rights holders were able to raise issues affecting service delivery in their localities thus expounding on the Rights Based Approaches to development.

UDN consolidated the findings from the different meetings indicating the progress, experiences and constraints in the implementation of JARD undertakings. UDN suggested recommendations with a view of ensuring that local government service delivery is responsive to the needs of the poor and marginalized people, and that there is value for money in service delivery.

2.1.2 Agricultural needs assessment in four districts

UDN undertook a needs assessment of agriculture in four districts². It involved assessing the availability and accessibility of extension services to farmers in relation to agriculture. UDN organized and facilitated feedback meetings at district³ and national level⁴ to share findings with community members, local and national government officials. Key findings indicated by farmers is that most financial institutions are not willing to provide credit facilities to small scale farmers,

¹ Moroto, Nakapiriprit, Amuria, Katakwi and Kumi

² Namutumba, Amuria, Tororo and Bukedea.

³ Amuria, Kamuli, Kumi, Bushenyi and Bugiri

⁴ Parliamentary Committee of Agriculture, Animal Industry and Fisheries

there were inadequate extension services which has left farmers with no option but continue guessing techniques to apply in farming, most of the roads are in a poor state thus making it difficult to transport their produce to the markets coupled with lack of market for their produce during the peak season, unfair competition due to lack of protection from well established competitors and counterfeit goods in form of seeds, hoes, pesticides etc which cause adverse effect on crop yield and land productivity.

As a result of the meetings held with policy makers, UDN has been invited to be part of meetings between Ministry of Finance, Ministry of Agriculture, Animal Industry and Fisheries and the Parliamentary Committee on Social services so that the issues affecting communities can be responded at national level. UDN intervention has led to the removal of taxes on agricultural inputs and increased advocacy on agricultural credit for small scale farmers in rural areas.



National Farmers' Forum

To strengthen the voice of the population dependant on agriculture and agricultural products and that of the small holder farmers, UDN in partnership with other CSOs – coalesced under the Northern Uganda Partners' Platform - organized a National Farmers Fair under the theme “Feeding the Nation” with the aim of creating a platform for Ugandan farmers to speak out on issues that affect them. The meeting attracted farmers from all over the country, CSOs, Members of Parliament, the National Planning Authority (NPA), media houses and the general public. Issues raised among others included: Corruption in management of agricultural projects especially NAADS; lack of food stores and market information; inadequate credit facilities for the farmers (banks), poor road networks especially in rural areas, and inadequate capacity among farmers. Members of the Parliamentary Committee on Agriculture pledged to discuss the issues raised by the farmers in their committee and report to Parliament for further action.

Review of the NAADS guidelines

UDN undertook the review of the application of the NAADS phase II guidelines so as to assess progress and identify gaps in the implementation of the programme and provide policy recommendations for improved service delivery. This exercise

generated information to be used to advocate for effective delivery of agricultural advisory services to the intended beneficiaries.

The Review was undertaken in fourteen districts, and the beneficiaries' views on the program is that phase II of NAADS implementation has been more successful than phase I in providing quality service delivery. Many farmers acknowledged that the programme has improved household incomes because farmers were sensitized and trained to acquire farming skills to improve productivity.



A NAADS farmer in Amuria inspects his citrus fruits in Dec 2011.

UDN held two consultative meetings with the NAADS Secretariat to discuss the findings of the review and the phase II implementation. These meetings provided a forum for UDN to share her findings and recommendations regarding the implementation of NAADS programme.

2.1.3 Implementation of the community Based Monitoring and Evaluation System (CBMES)

UDN has continued to implement the Community Based Monitoring and Evaluation System (CBMES) as a tool to empower the communities to monitor government programmes and policies for improved service delivery in their localities. The tool has had diverse impact within the communities and has continued to be replicated by other communities in the neighbouring sub counties.

Sub-County and District dialogues

As a process of implementing the CBMES, UDN organized bi-annual dialogue meetings in 56 sub-counties and 23 districts attended by a total of 1,580 people.



Tororo District leaders at a UDN District Dialogue in December

These meetings have provided a platform for communities to demand for LG accountability and government's responsiveness to the needs and concerns of the communities as raised in the monitoring reports. LG officials appreciate the value of the forum, and noted with the involvement of the communities in monitoring of government programmes and policies, it would not be long for serviced delivery to be improved.

National Dialogue

UDN organized a dialogue, attended by representatives of all UDN-established CBOs, to discuss findings from community monitoring of program implementation and service delivery in the health, agriculture and education sectors. Members of the CBOs identified key issues for government's intervention which were contained in a CS Statement that was presented to the Parliamentary Committee on Agriculture, Animal Industry and Fisheries for action. The issues in the Statement raised media attention and as a result, UDN was invited to talk shows on various media houses. This enhanced public awareness on the key issues in the agriculture sector, and indeed the Parliamentary committee chairperson reiterated that Parliament would call a stakeholders' dialogue to urge the Ministry of Finance to consider increasing budgetary allocation to agriculture, in view of realizing the 2003 Maputo Declaration for countries to allocate 10% of the National Budget to agriculture. Currently, the allocation is 4.5% of the 2011/12 National Budget. Also, UDN has secured a slot as CS representative in the Stakeholders' meetings.



UDN monitors presenting a petition to the Parliamentary Committee on Agriculture

Case Changes

In Bukedea district, the Senior Administrative Secretary (SAS) noted that the feedback meetings help the LG to put corrective measures and to bridge the gap between communities and local officials. This initiative has contributed to establishing and maintaining a good working relationship between LGs and UDN community monitors.

For example in Namutumba district, community monitors have been nominated to become members of the District Technical Committee whose premise is to plan for the district making it easier for the concerns of the communities to be taken up for action.

Furthermore, LG officials have noted the value of community monitoring in that it helps the LG know where the loopholes and weaknesses in service delivery are being experienced. For instance, in one of the community monitoring report of Namutumba district, the report revealed that teachers in Kibenge Primary School Nsinze Sub County, and Buuwabi P/s were continuously absent from their respective schools. During the district dialogue in Namutumba district, the District Education officer pledged to follow up with this issue and to date a new head teacher was transferred to Kibenge Primary school and since then there has been improvement in teachers attendance in the school.

District leaders acknowledged UDN and community monitors for taking the lead in supporting government institutions to deliver better services to beneficiaries in a more participatory and open manner. Local leaders pledged to work with monitors in addressing the community concerns. This has encouraged monitors to continue rendering voluntary service to ensure reduction in public wastage and abuse of office.



The bridge whose construction the Obalanga Sub-County Chairman, Tom Okello credits to the UDN.

According to Tom Okello, the Obalanga Subcounty Chairman, the relentless advocacy by the UDN monitors contributed to the upgrade of the bridge separating Amuria District and Otuke District.

In Namutumba district, the community monitors demanded for explanations from the LG officials for failure to follow up Buwambi Primary School in Namutumba Town Council, where the walls of a two-classroom block had wide cracks, and pupils were studying under tree shades and yet the contractor had been fully paid. The District Education Officer has seen followed up with the matter and a new three classroom block is currently being constructed.

In Amusia Primary School, Omodoi sub-county in Katakwi district, the staff ceiling indicated that there are nine teachers supposed to be employed in the school. However, community monitors found out there were only six teachers. Among the six teachers present in the school, one had retired, but was still on the payroll. The matter was raised in a district dialogue and action was taken by the DEO who later transferred more teachers to the school.

Expansion and scaling up of CBMES

Due to the increased demand for community monitoring, UDN undertook preliminary visits to Kumi district to enlist community support and buy-in from local leaders for successful implementation of the CBMES. UDN held consultative meetings with district⁵ & sub county officials⁶ to introduce the concept of community monitoring as well as soliciting for their support in the implementation of the CBMES.



UDN community monitors from Atutur and Kanyum Sub-counties undergoing training in Kumi

⁵ District Internal Security Officer (DISO), Chief Administrative Officer, (CAO) Resident District Commissioner (RDC), District Planner, District NAADS officer and the District Education Officer

⁶ Sub county Chiefs, Sub county NAADS Coordinators, community development officers, Councilors and LCIIIs

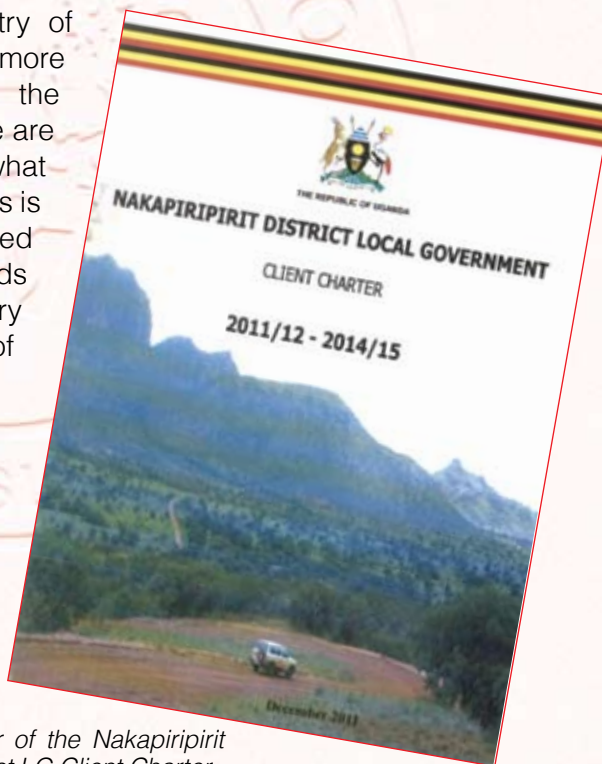
The LG officials worked with UDN to mobilize and identify community members using the UDN criteria and also verify monitors to be selected. As a result, 40 participants⁷ from two sub counties⁸ were selected to represent the different interest groups⁹ to be trained by UDN on the CBMES process. The Community Monitors noted that with the knowledge and skills acquired, they would continue sensitizing the communities so that they can own government programmes and interest others to join community monitoring.

2.1.4 Public Service Client charters

The Public Service Client Charters are a premise of the Ministry of Public Service whose mandate is to set standards and commitments expected from service providers by the service users and can be later used to assess the performance of the services delivered. The service client charters also serve as another tool for downward accountability for improved service delivery. UDN in partnership with Ministry of Public Service facilitated the process of developing the service client charters in Nakapiripirit for both the District Local Government level and the Town Council.

The partnership with the Ministry of Public of Service has enabled more participatory development of the client charters since more people are involved and their interests of what they expect from service providers is taken up. This has further enhanced quality control and setting standards for service providers in the delivery of services in their areas of operation.

UDNs involvement in the development of the service client charters has created more awareness and contributed to challenging the Government to account to the citizens through improved service delivery.



Cover of the Nakapiripirit District LG Client Charter

⁷ 17 women and 23 men

⁸ Atutur and Kanyum

⁹ People with Disability, People Living with HIV/AIDS, Elders, Women and the youth.

*A washed-out bridge on the
Amuria-Soroti road.*



2.2 Policy Analysis and Socio-economic Research Programme

The programme strives to advocate for pro-poor strategies to ensure that they address the needs of the poor with the objective of reducing the number of people living in poverty. To consolidate UDN's advocacy work, evidence based-research, analyses and reviews of various policies aimed at poverty reduction were undertaken.

2.2.1 Participation in formulation and implementation of the National Development Plan (NDP)

Sensitization training workshop on the National Development Plan

During the reporting period, UDN organized a workshop for partner CBOs and CSOs from 13 districts. The meeting followed the launch of the NDP and aimed at sensitizing participants on the implementation and monitoring of the programme at local and national level.

The workshop enabled the partner CBOs and CSOs to understand the content of the NDP so as to participate fully in its implementation and more especially during the development of the District Development Plans (DDPs), work plans and budgets so that they are in line with the national framework. The knowledge acquired has enabled them to proactively advocate for citizens needs and concerns to be incorporated into the District Development Plans hence improved service delivery.

Poverty Reduction Impact Assessment in two Districts

UDN undertook a study to assess the extent to which Uganda has implemented Value-addition as a key component of PFA and whether the programme has led to improved household incomes. The study was undertaken in Katikékile and Nadunget Sub-counties (Moroto district) and in Moruita Sub-county in Nakapiripirit district, both in Karamoja



NAADS beneficiary Joyce Nacuge admires her goats at her home in Moruita Sub-Country in Nakapiripirit District in August 2011.

region. The PFA programme is engineered by the government of Uganda to transform agricultural production through improving Agro-processing and value addition of raw products to meet market standards and attract higher prices so as to reduce household poverty level. The study revealed that the farmers in the two districts do not understand the difference between the PFA and NAADS.

The study showed that Karamoja probably needs its own-tailored and unique methods and enterprises for NAADS and PFA compared to what has been adopted across Uganda because of the wide disparity between the region and the rest of the county. In the subsequent period, UDN will continue to explore this reality so that development interventions are relevant to the different contexts in Uganda.

2.2.2 Review of poverty reduction strategies

Review and analysis of Uganda's Current Debt Status

During the year, UDN undertook a study to review and analyze the status of Uganda's External Debt. The study examined Uganda's debt obligations, trends in external borrowing since HIPC 1 in 1997 Uganda's contractual debt commitments, actual disbursements, and total debt stock. It also assessed the effectiveness of debt cancellation, the impact of debt on Uganda's growth and development efforts; and the legal and institutional framework for borrowing, strategies and management policies and structures.

Government's reckless spending blamed for growing external debt

Who is to blame. The government is blamed for its ambiguous budget indiscipline and reckless borrowing for the growing debt.

BY FARIDAH KULABAKO
kulabako@ug.nationmedia.com

KAMPALA. Government's reckless spending will expose Uganda's future generation to huge debts accumulated through uncontrolled borrowing, experts warned on Thursday.

According to a review and analysis of the status of Uganda's external debt report by the Uganda Debt Network, the country's external debt exposure stood at \$5.4 billion (Shs14.88 trillion) as of April, up from \$4.76 billion (Shs13.1 trillion) in March 2011.

This followed Parliament's approval of \$669 million in new loans in April this year. Mr Gabriel Wasswa, an Economist from the School of Economics at Makerere University, who presented the findings, cautioned that if Uganda's debt burden continues to rise, it could result into a debt crisis.

The high external debt burden raises government's external debt repayments, reduces resources available to finance developmental projects locally and increases the cost of macroeconomic management to the economy.

'It is difficult to reduce the debt because of low productivity levels in the country. We must tackle this matter as expeditiously as possible to avoid putting the country in a debt crisis'

MR GEOFFREY OMARA, MP FOR ERUTE NORTH, LIRA DISTRICT

To avoid a debt crisis, Mr Robert Waswaga, the director Kenwill International, a consultancy firm, said government should prioritise borrowing for productive sectors; ensure long-term sustainability and consistency with wider macroeconomic stability objectives.

Mr Geoffrey Omara, the Member of Parliament for Erute North, Lira District, said there is need to invest in the development of science and technology in various sectors of the economy to boost production and stop over-reliance on borrowed funds.

"It is difficult to reduce the debt because of low productivity levels in the country. We must tackle this matter as expeditiously as possible to avoid putting the country in a debt crisis," he said.

Rising trends since the 80s

Uganda's external debt rose from \$732.7 million in 1980 to \$2.2 billion in 1990, \$3.4 billion in 2000 to \$4.7 billion in 2004 before the Multilateral Debt Relief Initiative provided 100 per cent debt cancellation reducing the country's debt to \$1.6 billion before jumping to \$4.3 billion by June 2010.

The country's total debt financing is projected to have totaled to \$46.7 million in the 2010/2011 financial year.

DEBTS SINCE THE 80s

Year	Debt (\$)
1980	\$732.7m
2010/2011	\$46.7m

A press cutting of the Daily Monitor newspaper of 24th September 2011 depicting coverage of the dissemination of the Debt Study Report.

The study highlighted a number of factors that continue to affect the loan contraction processes but which have had adverse effects on the Ugandan economy. UDN will continue to engage Government authorities on these realities so that there is a reversal in these kinds of trends in Uganda.

Discussions with key informants confirmed that loan contracting and negotiation is largely transparent and rigorous, especially with multilateral creditors. However, despite existence of different frameworks defining the roles of different stakeholders, delayed Parliamentary approval of loans was reported as a key constraint to absorption capacity of externally borrowed loans caused by among others; long procurement processes and creation of more districts - which has become a key bottleneck to service delivery. Others were loan funded project implementation due to lack of capacity to implement projects, poor project planning and appraisal, inadequate capacity of the private sector to undertake large infrastructure development projects, and lack of transparency in procurement which makes activity implementation to be suspended and delayed.

The report also cited that the growth in Uganda's external debt over the last four years was faster than ever before. The study helped to identify policy recommendations to reduce Uganda's current debt stock, and these findings were disseminated during a workshop in September 2011 that was attended by government officials, donors, Members of Parliament, academic and research institutions, the media and the public.

2.2.3 Empowered CSOs influencing economic initiatives for poverty reduction and Social Economic Development



UDN Community monitors (left) on a tour of Asamuk Health Centre IV in Amuria District. UDN monitors health service delivery to assess Uganda's performance on MDGs

Community participation in monitoring Millennium Development Goals (MDGs)

Uganda is one of the countries that have committed to realize the MDGs by 2015. For this to be achieved, it is important to involve all players including local communities. In this regard, UDN undertook MDGs trainings for her grassroots partners in Amuria, Kamuli, Iganga, Tororo and Bushenyi to sensitize them on the MDGs and enhance their capacity to monitor their attainment in their localities. To this effect, UDN facilitated her community partners from the 5 districts with funds to carry out monitoring activities which have registered an improvement in service delivery, especially in the health and education sectors.

UDN also facilitated communities to obtain commitments from their local government officials as well as to evaluate their performance, during district dialogues attended by the LG officials, community members, UDN donor partners and other stakeholders.

Poverty Conference

UDN joined the rest of the world to commemorate the World Poverty Day - marked every 16th day of October - to promote the need to eradicate poverty and destitution in Uganda, in an equitable manner. A media briefing was organized on the theme: *"Only Development that includes everyone is Sustainable"*.



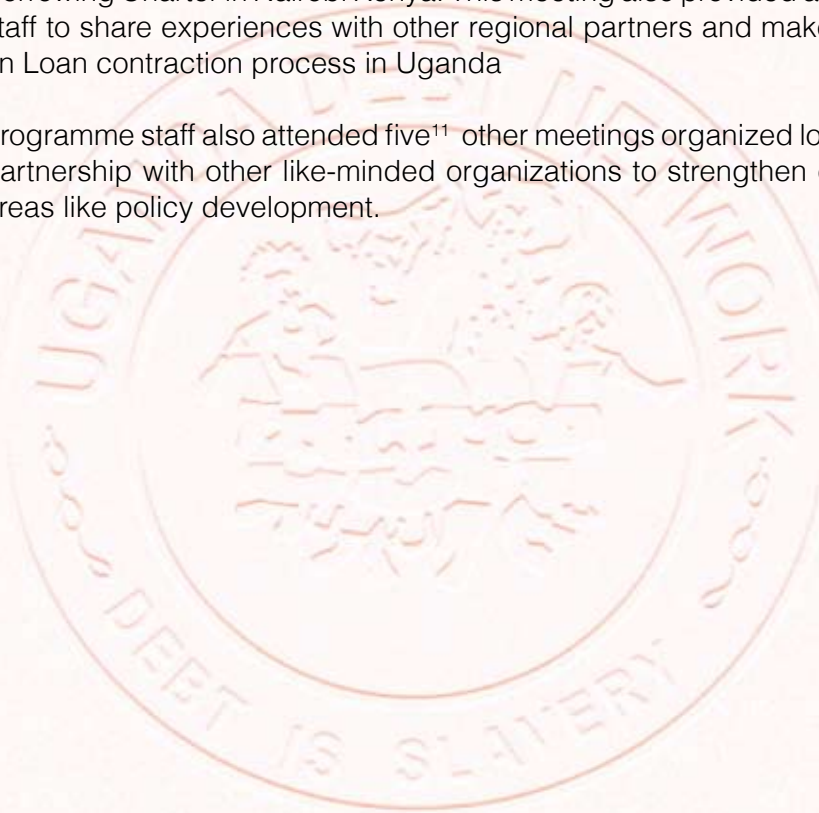
UDN staff addressing the Poverty Day press conference at UDN offices

The briefing was attended by journalists from seven media houses¹⁰ thus ensuring wide coverage of the discussion that focused on limited citizen involvement in development, debt burden and corruption. The media coverage created public awareness on the salient features of poverty, and helped to pile more pressure on government to adopt pro-poor policies as well as act on corruption.

Internetworking

During the reporting period, one staff was facilitated to attend a meeting organized by AFRODAD on Loan Contraction Processes in Africa and Launch of the African Borrowing Charter in Nairobi Kenya. This meeting also provided an opportunity for staff to share experiences with other regional partners and make a presentation on Loan contraction process in Uganda

Programme staff also attended five¹¹ other meetings organized locally to maintain partnership with other like-minded organizations to strengthen collaboration on areas like policy development.



¹⁰ UBC, WBS, NBS, New Vision, Sanyu, Star, Kfm

¹¹ Consultative meetings on the Development of a National Plan for Science, Technology and Innovation at Uganda National Council for Science and Technology; Meeting on the draft Public Sector Management Strategic Investment Plan organised by the Office of the Prime Minister; Conference on Agricultural Development, Food Security and the Environment in Uganda organised by EPRC; Macroeconomic policy for "Full and Productive Employment and Decent Work for All" organised by International Labour Office and Ministry of Gender, Labour and Social Development; and Economic Outlook for Sub-Saharan Africa," Recovery and New Risks" organised by EPRC together with the International Monetary Fund (IMF)

*Finance Minister Maria
Kiwanuka reading the budget
speech at Serena 08.06.11*



2.3 Budget Advocacy Initiative Programme

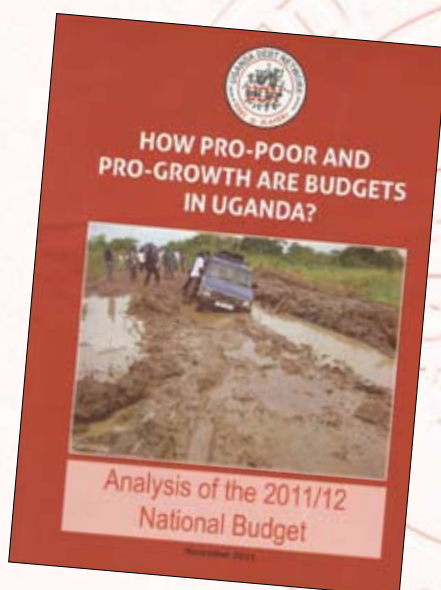
The Budget Advocacy Initiative (BAI) programme aims to mobilize the civil society in Uganda, especially people at the grassroots, to jointly and pro-actively participate in advocating for pro-poor budget policies and monitoring public expenditure. The BAI programme aims at making both national and local government budgets more pro-poor so as to benefit the majority of Ugandans who are still in the facets of poverty.

Review of the 2011/12 National budget

In June 2011, UDN undertook a review and analysis of the 2011/12 national budget to ascertain the extent to which revenue and expenditure proposals impact on the poor people, and the extent to which previous national budgets had been successfully implemented. The review identified the key micro, macro and fiscal policy issues that facilitate and impede prudent budget management practices. Review findings indicate

that over 60% of the previous budget proposals were not effectively implemented and that the few that were implemented did not benefit intended beneficiaries. The review report was shared with members of the Parliamentary Budget Committee who used the findings to debate on the national budget.

In addition, the shadow Minister of Finance in Parliament used the findings to inform the Opposition's official response to the 2011/12 national budget as part of their alternative budget proposals.



Cover of the budget review book whose findings were adopted by government

Production of policy briefs

As part of its initiatives to influence budget allocations at national level, UDN in collaboration with members of the Civil Society Budget Advocacy Group (CSBAG) produced a CS position paper on the 2011/12-2015/16 National Budget Framework Paper proposals. The position paper, clearly articulated the views of civil society on the urgent need for the government to invest in pro-poor sectors like roads, education and health that have a direct bearing on the poor. This paper was later shared with members of parliament in the different committees of parliament which informed their discussions on the national budget. The CS got an assurance from the government that it would review the threshold for Pay As You Earn (PAYE) tax.

Lobby meetings at local and national levels

In April 2011, UDN organized a civil society (CS) pre-budget dialogue to present CS views on the 2011/12 national budget proposals. The dialogue was attended by 178 participants who included the State Minister for Finance¹², Members of Parliament, CSOs, academia, central and local government officials, students, the media and the general public. Through the dialogue, civil society and community members presented their issues and concerns to policy-makers and the government committed itself to adopt some of the civil society proposals and recommendations¹³. The Government commended civil society's pro-activeness in outlining its proposals, and committed itself to availing the necessary information to enable CS to provide policy alternatives to government. Due to the high quality of research undertaken by CS, government and parliamentarians have continued to rely on CS reports to inform policy change.



Prof. Mwambusya Ndebesa of Makerere University speaks at the Post Budget Dialogue

Prior to the dialogue, a consultative meeting was organized for CSOs/CBOs in 13 districts¹⁴ and attended by 36 community monitors from each of the 4 regions in Uganda. Community monitors were provided with an opportunity to voice their issues and concerns about government budget allocations, and availed evidence of beneficiary experiences of budget allocations and government expenditure at LG levels. Community monitors' views were incorporated into the Civil Society (CS) position paper on government's budget proposals.

¹² Hon. Ephraim Kamuntu

¹³ Some of the adopted recommendations included scrapping of VAT on water, and the maintenance of the agricultural credit facility for two more years.

¹⁴ Bugiri, Iganga, Bushenyi, Tororo, Namutumba, Kaliro, Bukedea, Kanungu, Kamuli, Amuria, Katakwi, Kumi, Karamoja.

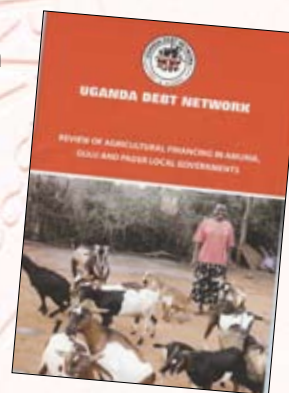
As a follow up to the Finance Minister's 2011/12 national budget speech, a CS organized a post-budget dialogue in July 2011 to present the views of civil society on the 2011/12 national budget proposals and solicit views from other members of the public. The meeting was attended by 189 participants¹⁵ who effectively presented CS budget proposals discussed which later resulted to the government committing herself to avail the necessary information to CS so that they can continue to provide policy alternatives to government.

Review and analysis of at least two local government health budgets

During the reporting period, UDN undertook a social audit of two health centres - Kampala City Council and Kawaala Health Centres. This aimed at assessing the extent to which funds provided to the health centres reach the intended beneficiaries; the quality of services delivered and whether they meet the expectations of the citizens. The study revealed that despite the huge funding provided to these health centres, less than 40% of the required funds trickle down to the intended beneficiaries and that the quality of services delivered was still poor and inadequate. This was compounded by the persistent drug stock outs and frequent absenteeism by key health workers in these health facilities. The findings of the study have been used to advocate for increased allocation of funds to lower health centers which are pivots of health care for a majority of Ugandans. The policy makers in both MoFDP and MoH have taken note of the findings and pledge to take up the concerns raised.

Study on Agricultural financing in northern Uganda

In August 2011, UDN undertook a study on agricultural financing in Northern Uganda, covering the districts of Amuria, Gulu and Pader. The study aimed to ascertain the extent to which resources allocated to key critical sectors such as agriculture reach the intended beneficiaries; and to evaluate the participation of communities in the design, implementation, monitoring and evaluation of key programs. It also aimed to assess the extent to which the different agricultural programs in northern Uganda have translated into an improvement in the welfare of the communities and whether these resources are spent efficiently and effectively.

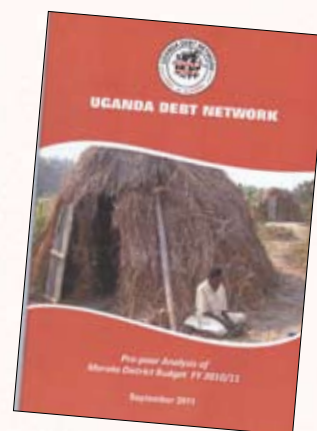


The study revealed that agriculture is still not given a priority in funding to northern Uganda, accounting for less than 5% of the total local government budget. It also revealed that despite the huge investment in the NAADS program, prices of most agricultural inputs - including those supplied by NAADS - remained beyond the reach of the majority poor in northern Uganda. The study further revealed that the bulk of the funds (over 70%) go to recurrent expenditure, with little funds allocated to research. The findings of the study have been used to influence budget formulation at both local and national levels. The findings were further shared with the Parliamentary Committee on Agriculture, Animal Industry and Fisheries who have used their mandate to advocate for increased financing to the agriculture sector in Uganda.

¹⁵ Key policy makers, Members of Parliament, civil society organizations, academia, central and local government officials, students, the media and the general public

Review of Moroto Local government Budget

UDN undertook a review and analysis of the 2010/11 Moroto Local Government budget to establish the extent to which it addressed the needs of poor and marginalized people in Moroto district, as well as the level of community participation in allocation, prioritization and utilization of these resources. The report – which has been published and disseminated to the stakeholders - revealed that there is limited consultation of communities in the entire budget process as it is dominated by politicians, technocrats and local government officials and that since priorities in the Moroto budget are informed by national priorities, they do not seem to respond to the needs of the poor communities in this district given the unique challenges facing the district.



Cover picture of the Moroto district budget analysis

UDN has used the findings of the review to lobby for inclusion of local priorities in the 2012/13 district budget. The studies have informed UDN on how to undertake budget advocacy from the perspective of affirmative action for geographically marginalized areas and communities in Uganda.

Production of information materials

In June 2011, UDN in collaboration with Action Aid Uganda and the civil society Budget Advocacy group (CSBAG) embarked on a process to develop a simplified Civil Society Governance and accountability toolkit. The tool kit is designed in a more user/reader-friendly format to enable both CSOs and CBOs working at local and national levels to effectively understand and utilize it when undertaking accountability work particularly at community levels.

A workshop to pre-test the document was organized for 30 participants from 5 districts in which UDN and Action Aid jointly operate. The participants made comments that were used to further simplify the content in the toolkit. The tool kit is now being used by communities in over 10 districts to monitor the implementation of government programs in their localities.

2.3.1 Facilitation of grassroots people to participate in budget formulation

UDN works to ensure that the budgeting and planning processes especially at local government levels are done in a more participatory manner. As such, the organization has continued to play a leading role in ensuring that key stakeholders participate in the different stages of the budget processes and that issues affecting the poor and marginalized groups are brought to the attention of policy makers.

In November 2011, UDN organized Local Government pre-planning meetings in the three districts of Amuria, Iganga and Bugiri. This was aimed at soliciting views from community members and leaders on community needs and priorities for the

next local government budgets. A total of 686¹⁶ community members¹⁷ participated in these consultative meetings. During these meetings local communities were also sensitized about the importance of participating in budgeting and planning meetings and monitoring the implementation of local government budgets. In each of the meetings, commitments were made by local government officials on the priorities to be addressed in the 2012/13 budget.

For instance, in Nabukalu sub-county in Bugiri district, it was agreed that funding be directed towards construction of 3 bore holes and 4 community access roads. Likewise, in Amuria district, since the previous budgets had focused on funding construction of classrooms, they agreed that the next budget should place emphasis on improving the road network, teachers' houses, and procuring instruction materials.

As a result of these kinds of engagements, And in appreciation of the role of monitors, LG officials have co-opted community monitors in Iganga district to represent communities' on the District Technical Planning meetings.

In addition, during the reporting period, over 40 grassroots communities in the districts of Amuria, Katakwi, and Moroto were facilitated with information materials on the local government budget cycle and local government budgets. This helped them to prepare and effectively participate in the LG planning and budgeting processes in their localities and as such influenced budget process in favour of their communities.

2.3.2 Capacity of CSOs in at least 4 LGs in participatory budgeting strengthened.

In June 2011, UDN organized a training workshop for 40 community members¹⁸ from Karamoja region in budget analysis and advocacy. This aimed at equipping them with relevant skills to understand, interpret and analyse local government budgets. It acted as an eye-opener for both local government officials and community members, as pointed out by one of the district officials: *"The knowledge we have learnt from this workshop will help us develop better budgets, especially making more realistic projections and budgets. Now that we know that community members are able to analyse these budgets, we shall be more careful when developing these budgets."*

As a follow-up of this training, community members in Karamoja have embarked on the process of monitoring their local government budgets (district and sub-county budgets) to determine the extent to which they address their needs.

¹⁶ 412 male, 274 female

¹⁷ Councillors, Local Council Chairpersons, district officials, opinion leaders, and community members

¹⁸ Local government leaders (such as district planners, Chief Administrative Officers, sector /department heads), community monitors and members

The participation of school management committee (SMCs) members is vital in the delivery of quality basic education in Uganda. UDN with support from An African Democracy Institute based in South Africa (Idasa) organized a training workshop for School Management Committees in Bushenyi and Katakwi districts, aimed at sensitizing them about their school governance. This was attended by 40 participants from 3 schools in Bushenyi district. The participants included members of SMCs, head teachers, District education Officers, teachers and representatives from parents. This training acted as an eye opener for the participants as most of them confessed that they did not know their roles since they were never inducted.

An SMC member from Kyakabaale Primary School thus observed: *"I have been serving on the School Management Committee for the last 10 years. However, ever since I was appointed, I was never told what my roles and responsibilities are. There has always been a conflict between members of the PTA and the SMCs about our roles. With this role clarification, we shall now effectively serve our schools."*

This sentiment is re-echoed by the Headmaster of Bugiri Primary School who noted that: "UDN has trained the SMCs to appreciate their role and this has helped in building a harmonious relationship. They have also mobilised the local government to prioritise budgetary allocations to crucial areas like sanitation in schools."



Bugiri Primary School Headmaster, Steven Mukwena stands next to the WATSAN toilet constructed by the the DLG

This intervention has also yielded some results as the targeted schools have now improved on their school performance. Kyakabaale Primary School has for instance registered a 20% improvement in school performance since this intervention was initiated in their school.

UDN has been at the forefront in ensuring that Uganda's budgets are transparent and easily accessible to all citizens. In June 2011, UDN in collaboration with the International Budget Partnership undertook the 2012 Open budget survey. This is aimed at assessing the level of budget transparency in relation to availability and accessibility of key budget documents to members of the public. As a result of this survey, accessing information budgets at both local and national governments has now become easier than before.

Media activities

In July 2011, two UDN staff participated in talk shows on three media houses¹⁹ to discuss and analyse the 2011/12 National Budget and its propensity to meaningfully contribute to poverty reduction. This provided an opportunity for CS to debate the current budget proposals, and to educate the public on the likely impact of some revenue and expenditure proposals made in the budget. These media engagements helped to amplify the discussion on the National Budget. This generated a lot of public debate which led to members of the public to disprove government on some of the issues that had been included in the budget and yet did not benefit the majority of the people.

Internetworking activities

In June 2011, UDN organized a strategic planning meeting attended by 32 members of the Civil Society Budget Advocacy Group (CSBAG). The meeting provided an opportunity for members of the group to reflect on the strategic direction/focus of CSBAG and to develop a strategic plan that would guide the implementation of future budget advocacy activities. In this meeting, commitments from CSBAG members were made, to fund and implement the CSBAG strategy which include on how best CS can best influence the budget process.

Challenges

- i) Realizing impact for all implemented activities within a short time frame. Since some actions such as influencing budget allocations cannot be realized within a short time frame and reporting on impact.
- ii) Getting up-to date budget information on actual releases and expenditures while reviewing local government budgets
- iii) Bringing on board more CSOs at local government levels to benefit from the budget training organized. This was largely attributed to the limited funding for this activity from CSBAG members. Whereas CSBAG members are supposed to jointly contribute towards the implementation of CSBAG activities, this has not been the case. This has largely affected the scope of coverage of CSBAG work.
- iv) Though effective advocacy requires the joint effort of other CSOs, sustaining the engagement has remained a challenge. This has been largely attributed to a number of factors some of which include the limited capacity of most CSOs to effectively undertake research, budget analysis and advocacy at all levels.

¹⁹NBS, WBS and Kfm radio

Participants at the Anti-Corruption Convention perusing through a variety of UDN publications.



2.4 Governance and Rights Programme

The Governance and Rights programme contributes to the fight against corruption, misuse of public resource and abuse of office. In pursuit of these, the program implemented activities that significantly bolstered the fight against corruption by raising awareness on its manifestations and dangers, as well as promoting citizens' advocacy on their rights and government's obligations.

Dossier on Corruption produced

As part of her campaign to increase public awareness of the nature, extent and consequences of corruption in Uganda, UDN compiled, a Dossier on Corruption with the aim of providing an analysis of the nature, magnitude and sequence of corruption in Uganda. The dossier further analyzes government's actions or no actions on corruption incidences and assesses the government's commitment to deal decisively with vice. The dossier further examines key impediments hindering the fight against corruption while implementing the Zero tolerance policy on corruption.



UDN Board Chairman, Prof. Edward Kakonge speaks at the Dissemination Workshop at which former Minister Maria Matembe, retired Anti Corruption Court Head Justice John Bosco Katutsi, UDN Board Treasurer Lydia Rugasira and UDN Executive Director Patrick Tumwebaze were presenters.

The dossier provided information on corruption trends and created awareness to policy makers, civil society activists, researchers, analysts and the general public on governments political will or no will to fight corruption. The dossier further highlighted the impediments²⁰ in the fight against corruption and suggested recommendations that could prevent corruption tendencies in the country. In the national dialogue²¹ that was organized, the participants noted that Uganda had good laws in place but also had weak institutions to operationalize the laws. The meeting attracted a lot of media attention which later generated a lot public debate on the political will of government to fight corruption.

Assessment of Integrity Mechanisms: Public Procurement Study

During the reporting period, UDN undertook a field survey on procurement processes, the causes of the recurrent procurement malpractices and challenges at local government levels²². The districts were purposefully selected after a review of the Auditor General's reports which indicated massive loss of finances through procurement processes.

The findings of the survey highlighted high levels of public awareness and knowledge of procurement laws and procedures. The survey also unmasked poor supervision and monitoring of contracts, inefficient and unsecure storage of procurement files – thus exposing procurement documents to be tampered with.

The findings have been shared with the Public Procurement and Disposal of Public Assets Authority (PPDA) and the recommendations have been used during the annual sector review of Procurement sector in Uganda.



Cover of the report

Rights Based Approaches/ facilitating citizens petition.

During the reporting period, UDN sensitized small scale farmers living around protected areas in Bushenyi and Kanungu districts on their rights to revenue generated from the National parks. The people living round the protected areas are entitled to 20% of the revenue generated from the national park for the development of their sub counties so as to improve their livelihoods.

As a result of continuous sensitization and consultations with the communities living around the protected areas, the e communities resolved to petition Parliament on the state of their rights and welfare. The Petition highlighted key areas for improving the

²⁰ Poorly facilitated anti-corruption agencies; government-inspired "selective prosecution" and limited participation by the public

²¹ Attended by 116 men and 47 women

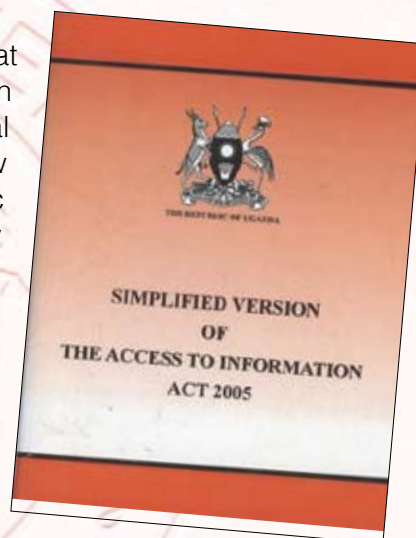
²² Iganga, Namutumba, Bushenyi, Tororo, Gulu, Apac, Katakwi, and Kampala (in Makindye Division)

welfare of people living in and around protected areas among which was the Uganda Wildlife Policy, 1999 which places greater emphasis on protection of wildlife and is silent on the rights of people living around the protected areas. The petition is to be presented on the floor of Parliament as a Private Member's Bill representing the views and concerns of the e poor and marginalized people living around protected areas.

Access to Information Act, 2005

In a bid to create more awareness and empower ordinary citizens to demand for transparency, accountability and improved service delivery from duty bearers, UDN simplified the Access to Information Act (ATIA) 2005. The simplified Act has enabled the common person to understand the document and has been in position to claim for the right to information from duty bearers, and hence hold public officials accountable.

Simplifying the ATIA is also premised on the fact that despite the existence of the Access to Information law in Uganda, the major challenge lies in actual implementation of the law. This is because of the low levels of awareness and knowledge among the public about the law and its contents. This has negatively impacted on citizen's ability to demand and claim their right to access information in the hands of government, which in turn has greatly limited their ability to claim other rights. UDN envisaged that through this simplified version, Ugandans will be empowered to claim their right to access vital information and hold their leaders accountable for improved and efficient service delivery.



Anti-corruption mural erected

UDN also organized consultation and sensitization meetings with local communities in Kayabwe, Mpigi district to popularize the upcoming anti-corruption mural and in particular to capture their personal experiences and views on corruption to be reflected on the mural. Through these meetings, communities and UDN identified and discussed the persistent corruption incidents within their localities, which informed the nature of messages to be painted on the mural. UDN's efforts in compiling views from the people helped to raise local people's awareness about the manifestations and dangers of corruption, and they committed themselves to actively fight against the cancer that corruption has become. Materials for the mural have been purchased and leveling of the mural site commenced.

Information Materials

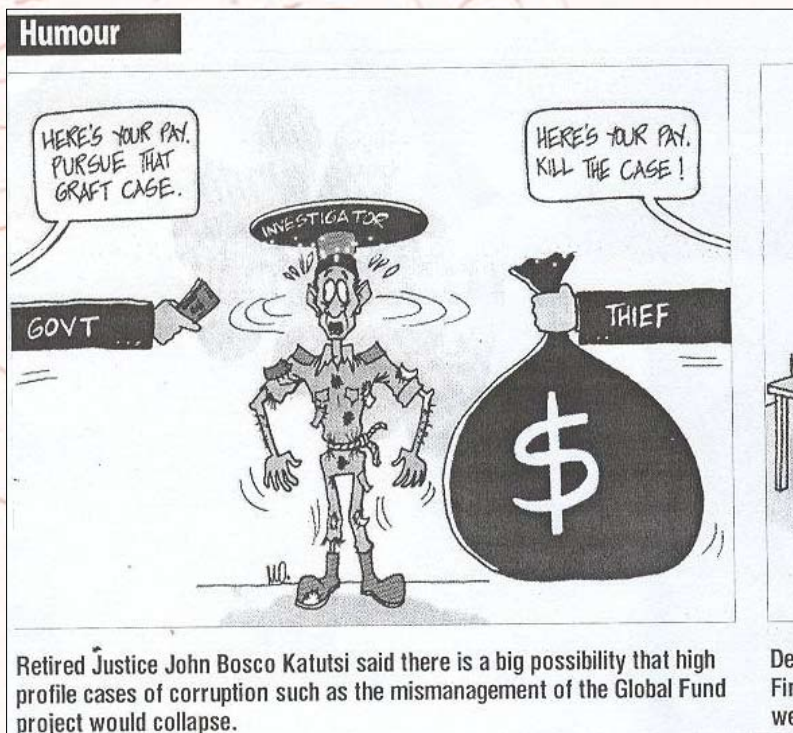
UDN's continued enlightenment and education of the public on manifestations, dangers and consequences of corruption has been evidenced through the production

and distribution of information materials. In 2011, several information materials on corruption and human rights were developed, printed and circulated during workshops and seminars to community monitors, educational institutions, public office holders, leaders and the general public. These were the Dossier on corruption, the Procurement study report, the Anti Corruption Act, the Whistleblowers Act and the simplified Access to Information Act among others. Consequently, there has been improved awareness of the public on corruption and they have accessed guidance on how to deal with instances of corruption.



Media activities on corruption undertaken

UDN sponsored several talk shows on two upcountry radio stations²³ as part of a campaign to publicize the dangers of corruption and sensitize local communities on the need to hold their leaders accountable for public resources at their disposal. In addition, UDN organized a press conference²⁴ to denounce the misappropriation of CHOGM funds as well as the selective prosecution of suspects. The vigorous media publicity of the scandal led to three highly placed ministers stepping aside to pave way for investigations. Several opinion articles were published in the media, emphasizing UDN's efforts to eliminate corruption.



The Independent Magazine illustration of 23 - 29 September 2011 depicting the challenges of combating corruption as raised by Justice Katutsi during dissemination of the dossier on corruption.

²³ Radio West in Bushenyi and Eastern Voice in Bugiri

²⁴ Covered by 3 TVs (NTV, UBC and NBS) and print media

Inter-networking

UDN's long existence and proficiency in advocating for the rights of the poor and marginalized people, as well as policies that favour these groups, has led to her prominent placement at different fora to share her knowledge and experiences. UDN facilitated her staff to participate in 18 inter-networking meetings organised by different partners and stakeholders.

In addition, UDN participation in the Inter-Agency Forum was strengthened through the active involvement of her staff. Staff participation and presentations highlighted UDN's work and efforts in fighting corruption through public awareness activities, campaigns, printing information materials on corruption and youth involvement.



Participants at the Anti-Corruption Convention helping themselves to UDN information materials

UDN input provided an important resource and helped to further build synergy and generate strategies for partners to further engage in the corruption fight.

To commemorate the International Anti-corruption Day in December during the annual anti-corruption week, UDN in partnership with other CSOs organized the 1st National Anti- Corruption Convention and a public exhibition. The Anti Corruption Convention was

held under the theme: “ACT - act against corruption today.” The overall objective of the Convention was to kick-start the process of building a national anti-corruption movement of patriotic citizens that will work towards total elimination of corruption and abuse of office in Uganda. The convention was attended by government officials, MPs, CSOs, the business sector, youth and students, media and the general public. Speaker after speaker decried corruption in Uganda today and noted that the greatest obstacle in the corruption fight is citizen apathy and fear of reprisal. It was rightly observed that we as citizens can only make an impact and cause change if we all overcome our fears and join together as CSOs, Parliament and all Ugandans to collectively expose, denounce and fight the vice.

It was also proposed that a name-and-shame list of all corrupt officials should be put in place; Parliament should focus its anti-corruption energies on the President since numerous corruption scandals were pointing to him as the initiator or originator. It was also recommended that Parliament should desist from passing the Public Order Management Bill into law since it violated citizens’ rights and the public should push and demand for reinstatement of presidential term limits.

Challenges

- i) Accessing vital information and records for the corruption dossier was not easy given the sensitivity of corruption matters. However, UDN managed to obtain key information from reviewed reports, publications, journals, researches and other public sources.
- ii) Due to insufficient funds, UDN is not able to translate the simplified Access to information Act into some major local languages to promote wider dissemination among ordinary citizens. However, this simpler English translation will be understood by a much wider audience than the Act itself.

Governance and Rights Activities in Pictures



Justice Katutsi speaks at the launch of the dossier on corruption in September



Edwin Muhumuza of PPDA addresses issues on public procurement.



A cross section of participants during the anti-corruption convention in November. They included Hon. Semujju Nganda.



Former Minister Miria Matembe speaks at the launch of the dossier on corruption.



A UDN community monitor makes a submission during the launch of the dossier on corruption.



Stella Obel, the Coordinator of Tororo Anti-Corruption Coalition, a UDN partner CBO speaks at the launch of the dossier on corruption.

UDN Board member Mrs. Albina Opio speaks to journalists after the CBMES launch in Moroto.



2.5 Civil Society Capacity Building Programme

The strategic objective of the CSO Capacity Building Programme is: 'Strengthened CSOs with credibility and effectively delivering on their strategic advocacy interventions for poverty reduction'. Over 2011, the programme aimed at providing training to district-based partners to build their capacity in Participatory Monitoring and Evaluation, as well as Advocacy to enable them engage service providers over the quality of service delivery.

The programme also ensured that organizational advocacy documents, research and review reports and other information materials were published and disseminated to stakeholders and the wider public, to engage them in critical debate on government's key poverty reduction policies. The programme also ensured that the UDN's electronic tools of communication remained operational all through the year thus enabling timely dissemination of information.

Situational analysis in Moroto

UDN undertook a situation analysis in Moroto to assess the status of service delivery in the district and identify a CSO partner with whom to collaborate and implement the CBMES as a method for empowering communities to demand for their rights and hold duty bearers accountable. Consultative meetings were held with district and sub county leaders of Rupa and Nadunget as well as local CSOs (with structures at the sub county level). UDN, with recommendations from LG officials, was able to identify the Moroto Nakapiripirit Religious Leaders Initiative for Peace (MONARLIP) as a partner with whom to undertake community monitoring in Karamoja region.

Consequently, UDN established a partnership with MONARLIP to implement the CBMES activities in Karamoja, upon signing a memorandum of understanding. This led to UDN facilitating the training of 18 MONARLIP board members, staff and peace teachers in the CBMES processes. The training empowered the MONARLIP staff to appreciate the CBMES model as a tool for empowering local communities to participate in and monitor the implementation of government programmes.

Training of Community Monitors

Fourty community based monitors were trained on the CBMES strategy to promote downward accountability. The monitors were trained on legal and institutional framework, government programmes and policies, participatory monitoring and evaluation, citizen participation and empowerment, lobbying and advocacy among others to enable communities play an active role in their own development process. Through training, monitors were able to utilize the skills gained to monitor delivery of services in health, education and NAADS which led to the production of a monitoring report and subsequent launch of CBMES in the pilot sub counties of Rupa and Nadunget.

Launch of the CBMES in Moroto

UDN in partnership with MONARLIP successfully launched CBMES in Moroto on 26th August 2011, with the aim of empowering rights holders to demand for accountability from duty bearers. The district launch was a climax of a series of activities which started with the identification of monitors, training, monitoring, report writing, sub county dialogues and district dialogue. The launch was preceded by a brass band-led march through the Municipality streets, which was flagged off by a representative of Bishop Timothy Abura of Moroto Diocese. Present were political leaders, civil servants, the media and members of the public. The LC5 reiterated that the intervention was timely to strengthen public accountability in service delivery and hailed UDN for playing a precedent role in the launch of the government's Barazas, aimed at improving transparency and downward accountability.



MONARLIP and community members marching on Moroto Streets during the CBMES launch

Building the capacity of CSOs in Budget Analysis and Advocacy

UDN partnered with USAID-Linkages to undertake training of Budget monitors in eight districts²⁵ between September and November. Consequently, a training manual and a Citizens' brochure on Budget Training, as well as training reports for each district, were produced and shared with Linkages. This exercise strengthened UDN's profile and capacity to deliver capacity building programmes. As a result, USAID-Linkages and Save the Children have expressed interest in establishing a long-term working partnership with UDN for sustainable public policy formulation and implementation.

²⁵ Sironko, Katakwi, Pader, Mukono, Kitgum, Hoima, Arua, Amolatar

Some case changes in Moroto

Owing to UDN intervention with MONARLIP using the CBMES approach in Moroto, the findings of community monitoring of NAADS activities in Rupa and Nadunget sub counties – which were shared during sub county and district feedback meetings - highlighted mismanagement of NAADS inputs to both commercial and food security farmers. Consequently, all the NAADS officials implicated in this mismanagement were arrested and detained at the end of August 2011. The Rupa sub county chief and the Nadunget NAADS coordinator have since remained on suspension

The CBMES approach has also empowered monitors and community members to appreciate their role in community development through heightened vigilance to demand for better service delivery. As a result, monitors and community members intervened in the shoddy construction of two community pit latrines in Natumukasko in Rupa Sub County under a PRDP grant. They implicated the contractor - Pact Investment Ltd – of doing sub standard work. The company used timber to cover pit instead of twisted bars - which the community rightly observed would put their lives at risk. The sub county officials referred the complaints to the district engineer and the CAO, who directed the contractor to rework on the projects.



Through frequent sensitization of community members by monitors, a NAADS beneficiary, Aguma Erenio, from Nadunget sub county in Moroto, complained about her seven piglets, noting: “I had been cheated when they gave me young piglets whose monetary value was far less than what I was supposed to receive as a commercial farmer. When monitors sensitized me on my rights, I complained to the community based facilitator and the farmers’ forum and rejected the piglets. I was later supplied with mature and healthy pigs which have now reproduced.”

Information materials

UDN produced and disseminated information materials²⁶ to key stakeholders, policy makers and community monitors in the 23 district where UDN operates. The information materials—including simplified legislations - have enhanced UDN's objective of sensitizing people at the grassroots of government programmes and policies, and to hold their leaders accountable. Over 3,000 copies of information materials were disseminated to stakeholders to inform public debate at local government level, as well as guiding the

²⁶ Anti Corruption Act, Whistleblowers Act, Policy Review Newsletter, calendars, policy briefs, activity updates, Annual Reports and training materials etc

monitors to effectively present informed views on UDN-sponsored weekly radio programs. In addition, the materials provided quality information and analysis on government policy, program implementation and service delivery, thereby enabling the community monitors to pursue advocacy from an informed point of view.

In addition, the Capacity Building programme coordinated the design, printing and dissemination of UDN publications. During the year, UDN produced several publications that contributed towards influencing public debate – including the Annual Report, the Budget Analysis report, Analysis of the 2010/11 National Budget, Policy Review Newsletter, activity Newsletter, policy briefs, the Anti corruption Dossier, the Procurement report, and an institutional calendar for 2011. These various publications have enhanced UDN's reputation as a leading advocacy organization in the country.



Sample information materials

Skills development workshops for small-scale farmers

UDN provided capacity building training for partners²⁷ and small scale farmers in Amuria district. The training aimed to enhance understanding of the CBMES process among Concern project partners in Amuria as well as build the capacity of partners to undertake participatory monitoring and advocacy on issues identified by farmers.

Media Advocacy

UDN provided information materials to CBO members in 15 districts to enable them participate in weekly radio talk shows which is produced and aired in local languages. The radio programs provided platforms for communities, monitors and local government officials to discuss the quality of service delivery. The general public, through telephone call-ins, have effectively used the interactive radio talk shows to raise concerns about development in their localities. As a result of the popularity of the talk shows, local government officials often use the program to sensitize communities on government programs. This has increased citizens' awareness of government programs and policies.

Monitoring and Evaluation (M&E) Field Visits

During the reporting period, UDN undertook field M&E visits to her districts of operation which facilitated shared learning and support to sub county and district CBOs hence strengthening relationships between Local Government officials and CBOs for effective

²⁷ CIDI, VEDCO

monitoring, documentation of CBMES work and local advocacy. The visit facilitated meetings between CBOs, UDN and local leaders at sub county and district level on successes, challenges and measures to strengthen community involvement in the development process for improved service delivery.

Exchange Learning Visits

UDN with collaboration with local, national and regional partners organized and facilitated learning and experience sharing opportunities through exchange visits. The partners'²⁸ visits focused on acquiring skills in implementing social accountability at local level. The partners also toured model farms in some of the districts where UDN operates.



Guests from Haki Elimu in Tanzania meeting the UDN head

Resource Centre refurbished

During the reporting period, UDN also refurbished its Resource Centre in order to aid fast and reliable access to information materials. In addition, UDN acquired relevant external publications that have contributed towards enriching the quality of the resource centre.

Maintenance and updating of Website

UDN identified a consultant to redevelop its website into a more interactive tool for communications. In addition, the organization upgraded its intranet to enable faster access to internet and therefore efficient management of communications. As a result, the organization has been able to improve its external communication with stakeholders and partners.

Radio programs

UDN supported weekly radio programs on Continental FM (in Kumi district), Eastern Voice (in Bugiri district), Radio West (in Bushenyi) and Kinkizi FM (in Kanungu district) which enabled community monitors to disseminate and discuss monitoring findings and mobilize communities to hold their leaders accountable for program implementation and services delivery pitfalls. These radio programs have attracted the interest of district and political leaders, who demand to attend and provide explanations to community monitoring findings as well as raise community awareness on other development interventions at various community levels.

²⁸ Concern, Actionaid, CIDI, VEDCO, Oxfam and Haki Elimu from Tanzania

UDN Executive Director Patrick Tumwebaze addressing members at the Annual General Meeting



2.6 Institutional and Organizational Development

The Institutional and Organizational Development programme ensures that UDN becomes a sustainable advocacy organization with sound governance and management structures and systems, with highly motivated and committed members and staff that can deliver timely and quality advocacy outputs.

Below are some of the achievements that were recorded under three strategic objectives:

2.6.1 A strengthened governance structures and systems operational

Board Meetings

During the year, scheduled and extraordinary Board Meetings were held. These were necessary to expedite staff recruitment and a process to purchase a property to house UDN offices. Also, Board Committee Meetings were held to facilitate the smooth running of the Board functionality. This strengthened the Board's advisory role to the Secretariat.

Financial system developed and operational

During the year, UDN undertook an annual financial audit upon which annual financial reports and audited statements were produced and circulated to key partners and stakeholders.

Sustainability Strategy

The UDN budget, like those of other CSOs, has always been under-funded. In order to raise more resources, the Secretariat developed and submitted several proposals for funding, four of which were successfully approved for funding.

Registration with NGO Board

During the year, UDN regularized its registration status with the National NGO Board, in conformity with the new requirements for registering NGOs.

2.6.2 Monitoring and evaluation

During the reporting period, UDN Secretariat held over 40 weekly, 12 monthly and 4 quarterly review and planning meetings which ensured effective monitoring and evaluation of activity implementation.

Annual General Meeting

UDN being a network organisation, membership renewal and recruitment is vital to its activities. In addition, it is imperative to update members on the challenges faced in implementing approved work plans. As such, the UDN Secretariat and Board organised an Annual General Meeting in Kampala in September attended by 80 members. During this meeting, the members elected Ms. Nick-Waks & Company as the new external auditors.

Development of new strategic plan

During the reporting period, UDN completed the external evaluation of its 4th Strategic Advocacy Programme and Plan (SAPP) 2009-2011. The evaluation process involved desk review as well as consultative meetings with UDN stakeholders (members, partners, Board and staff) and CBOs in all its 23 districts of operation. The evaluation report provided an independent assessment of UDN performance during the three-year term of its 4th SAPP, and significantly contributed input and guidance towards the formulation of a new strategic plan.

During the reporting period, UDN also completed the development of its new five-year Strategic Advocacy Programme and Plan. The new plan – guided by the results of the external evaluation report – saw UDN merging its programmes from five core areas to two for efficiency. The new core areas are Capacity Building and Empowerment (CBE) Programme – following the merger of Community Participation and Empowerment with the Civil Society Capacity Building Programme - and the Governance and Rights (G&R) Programme – that resulted from the merger of Budget Advocacy Initiative programme, Policy Analysis and Socio-economic research programme and Governance and rights programme.



UDN staff and Board Members at a SAPP Evaluation meeting.

Recruitment of Staff and appraisal

During the year, the Board's Human Resource Committee recruited new staff members including the Communications Officer, three Programme Assistants, as well as three Interns.

In addition, the Board successfully completed staff appraisal exercise that saw some staff members promoted while others were confirmed in service. In the addition, the Board completed a capacity needs assessment in the management structure and made recommendations for new staff recruitment.

2.6.3 Inter-networking meetings

The Board and staff participated in over 10 internetworking meetings, both at national and international levels. The meetings included a training of trainers attended by two staff members in South Africa; Capacity for Research in Taxation (CTAFT) workshop organised in Nairobi by Tax Justice and attended by one staff member.

UDN also participated in organising the first National Anti-corruption Convention in Kampala, during which stakeholders debated new approaches of tackling corruption. Also UDN participated in a media training organised in Pretoria, to which one journalist was sponsored to attend. This helped in strengthening UDN relations with the media.

UDN also hosted members of the South Sudan Parliamentary Committee on Constituency Fund, who wanted to get recommendations from UDN on how to best manage the Constituency Development Fund (CDF). This meeting reflected the success of the UDN-led campaign against the CDF in Uganda which studies revealed was being misused by legislators.



A delegation of South Sudan MPs meeting UDN Management at the UDN offices in Kampala

3.0 Lessons learnt

There is substantial demand for civil society and community capacity building to impart skills to strengthen CSOs in programme planning, implementation and management, building institutional structures and giving communities the knowledge and confidence that they can hold public officials to account.

3.1 Challenges

Despite the above achievements, below are some of the challenges that need to be dealt with. These include: Meeting high stakeholder expectations, ensuring that the policy makers adhering to their commitments, Persuading government to take up policy recommendations, getting monitors to relate MDGs to their day to day monitoring and sustaining stakeholders' expectations

Major challenges faced include high costs of implementing some activities, e.g. widely publicizing and publishing our anti-corruption work which would help in increasing awareness about corruption. For example, UDN would have desired to translate the anti-corruption cartoons into at least one widely spoken local language. Also, delays in disbursement of funds have affected implementation of activities such as undertaking a study on causes of recurring procurement malpractices in selected districts, training small scale farmers on rights based approaches such as Public interest litigation and also erecting an anti-corruption mural in northern Uganda. Difficulty in accessing up-to-date information on corruption has also affected timely production of a corruption dossier.

Capacity building is not a one-off activity as some of the learners may take time to internalize new ideas, concepts and skills and will also ask for refresher courses. There is a substantial cost to this and it is not normally given the requisite consideration when proposals are being considered for funding.

3.2 Way Forward

As a way forward, UDN is currently undertaking a vigorous fundraising drive to raise funds for implementing pending program activities, as we await remittance of expected funds. Also, in the meantime collaborative efforts are being pursued with various partners including like-minded CSOs in order to sustain anti-corruption advocacy in areas of shared concern such as full implementation of access to information laws.

The Programme will try out cheaper ways of delivering capacity building programmes so as to maximize benefits from the limited resources available including minimizing costs as much as possible, and enabling more CSOs and community members to access training that is a vital input towards their sustainability.

Recent UDN Publications



4.0 UDN Income Statement for the years 2010/2011

	Budgeted 2011	Actual 2011	Actual 2010
	Shs	Shs	Shs
Income			
Donations/Grants	-	1,558,092,313	1,259,187,680
Other income	-	33,485,067	46,429,397
Total income	-	1,591,577,380	1,305,542,077
PROGRAMME EXPENDITURE			
Community Participation and Empowerment	573,518,832	262,888,193	307,704,532
Policy Analysis and Social Economic Research	247,205,874	62,900,335	53,600,436
Budget Advocacy Initiative	468,715,850	211,617,113	256,170,151
Governance and rights Programme	319,420,534	117,086,358	138,635,706
CSOs Capacity Building Programme	824,685,901	287,436,163	186,032,222
Institutional and Organizational Development	668,971,851	468,250,259	284,591,190
Grand Total Programme Costs	3,102,518,842	1,410,178,421	1,226,734,237
General Overhead Costs	104,542,635	67,109,702	82,017,479
Total Expenditure	3,207,061,477	1,477,288,123	1,308,751,716
Surplus/(Deficit) for the period		114,289,257	(3,134,639)
Less: Depreciation		23,076,802	(28,964,063)

Net Surplus/(Deficit) for the period		91,212,455	(32,098,702)
Transfer to endowment fund		-	(8,896,586)
		91,212,455	(40,995,288)
Accumulated fund balance at 31 December 2010		363,736,421	404,731,709
Accumulated fund balance at 31 December 2011		454,948,876	363,736,421

THE ACCUMULATED FUND IS REPRESENTED BY:

Cash and bank balances	391,941,774	442,852,017
Property and equipment	823,637,407	91,360,209
Accounts receivables and prepayments	2,098,846	9,149,515
Programme floats	16,007,895	-
Staff Accounts Payable	(31,976,116)	-
Other Accounts Payable	(20,896,110)	(20,896,110)
Accounts Payable and Accruals	(55,716,660)	(38,581,050)
Property Liability	(550,000,000)	
Endowment fund	-	(120,148,160)
Total	575,097,036	363,736,421

Appendix 1: List of UDN Staff Members as at December 2011

Name	Position
Mr. Patrick Tumwebaze	Executive Director
Ms. Martha Nanjobe	Director of Programmes
Ms. Pauline Apolot	Senior Programme Officer
Ms. Imelda Namagga	Ag. Senior Programme Officer
Mr. Walter Akwat	Communications Officer – From May
Mr. Stephen Mukwaya	Finance Officer
Mr. Jude Tadeo Odaro	Programme Officer
Ms. Maureen Agaba	Ag. Programme Officer
Ms. Esther Mufumba	Programme Assistant
Ms. Juliet Akello	Programme Assistant (Policy) - From May
Mr. Moses Okoed	Programme Assistant (CPE) - From May
Ms. Adellah Agaba	Programme Assistant (G&R) - From May
Ms. Peace Nambooze	Intern (Finance & Administration) – From April
Ms. Christine Biyiringiro	Intern (Governance & Rights) – From May
Ms. Bertha Byeija	Intern (Budget Advocacy Initiative) – from May
Ms. Grace Kobusingye	Intern (CPE/Capacity Building) – from March
Mr. George Matovu	Driver
Ms. Susan Wanyana	Office Assistant
Ms. Annet Kyomuhendo	Office Attendant
Mr. Charles Okumu	Security Guard

Appendix 2: UDN Senior Management Team



Mr. Patrick Tumwebaze
Executive Director



Ms. Martha Nanjobe
Director of Programmes



Ms. Pauline Apolot
Senior Programme Officer
(Community Participation
and Empowerment)



Ms. Imelda Namagga
Ag. Senior Programme
Officer (Budget Advocacy
Initiative)



Mr. Walter Akwat
Communications Officer



Mr. Stephen Mukwaya
Finance Officer



Mr. Jude Odaro
Programme Officer
(CS Capacity Building)



Ms. Maureen Agaba
Ag. Programme Officer
(Governance and Rights)

Uganda is 'grand seat of corruption' - Katutsi

BY EDIS KIGGUNDU

Retired High Court judge, John Bosco Katutsi, has said the level of graft in the country has gone out of hand to the point that some public officials are outcompeting one another in the 'game of shame'.

Speaking at a workshop organised by the Uganda Debt Network (UDN) to disseminate a 'donor on corruption' on Tuesday, Katutsi said such state of affairs has helped Uganda secure itself a place of honour as the 'grand seat of corruption'.

He proposed that the country creates an agency to seize ill-gotten property of public officials. "Here, we do not need to first go to court. You go around and see somebody with property that he cannot explain how he acquired, and you seize it," Katutsi said, adding that such property can be sold and the proceeds used to improve social services.

Katutsi was discussing a paper presented by Lydia Rugusira, a board member of UDN, in her presentation on the nature of corruption, Rugusira said incidences of graft had escalated and implicated officials were now displaying a high level of impunity. "There have been efforts to fight corruption, but there is little change," she said. Rugusira listed the five most corrupt institutions in the country, according to her research, as traffic police, district contract committees, the Electoral Commission, former Kampala City Council and Uganda Revenue Authority. According to last year's corruption index released by Transparency International, a global body that measures trends in graft, Uganda was ranked 51st of 178 countries where corruption is rife. Katutsi said the establishment of institutions such as the Anti-Corruption Court - which he once headed - and the Inspectorate of Government, as well as laws like the Leadership Code, have not significantly improved the country's record in fighting graft. Most of these, he said, are instead used to fight political battles and to punish people "who have no political godfathers".

Citing the case of Chandi Jamwa, the former managing director of the National Social Security Fund (NSSF), over which he presided, the retired judge said he was surprised to learn that Jamwa had been arrested and prosecuted before even investigations could be concluded.

"I have a feeling that Jamwa



Katutsi

was prosecuted because of what he said during the Temangala case," Katutsi said, adding that there is selective prosecution. He said he had heard that the poor investigations had also jeopardized the prosecution of corruption-related cases. He said the disparities in pay between the police (who are the investigation officers), the Inspector General of Government (prosecuting and judges who preside over the cases) need to be addressed in order to strengthen the fight against graft. "You pay the IGG a whopping Shs 18 million, a police officer Shs 200,000 and a judge Shs 4 million monthly and you think you are fighting corruption?" Katutsi queried.

MATEMBE QUIPS IN
The former minister for Ethics and Integrity, Miria Matembe, quipped over the discussions, saying President Museveni is the one that drives corruption, especially in government. "Everyone fears to say it, but it is known. Museveni is the chief corrupter," said Matembe, who now refers to herself as senior citizen. She said the moral and ethical value of government had been severely eroded and Museveni had spearheaded the fight to weaken state institutions.

Matembe said the President had initiated the culture of doling out envelopes at public functions, an open practice of corruption. Such a person, she reasoned, cannot be interested in building institutions and systems. Still in the vein of corruption, Matembe said she did not have any sympathy for the former vice president, Prof Gilbert Bukenya, who is facing charges of mismanagement of CHOGM funds. She said she had doubted Bukenya's integrity before he was appointed VP; given his documented record while he was dean of the Medical School by the IGG.

"I made sure that for all the years he was vice president, I never crossed his path because I knew his ways," Matembe said.

ekiggundu@observer.ug



Prof. George Kanyeihamba A Learned View

Mr President, we saluted you on your recent inauguration when you moved the nation by pledging publicly that in this term of your office there shall be zero tolerance of corruption. To accompany your brave pronouncement on corruption, Mr President, proclaim the Anti-Corruption Act of 2009 which you assented to on July 25, 2009 and came into force on the August 25 of the same year, to be for compulsory reading for all Ugandans.

It is an Act to provide for the effectual prevention of corruption in both public and private sectors and repeal and replace the Prevention of Corruption Act, to amend the Penal Code Act and the Leadership Code Act and to provide for other related matters.

In the past, I have been among the severe critics of the 8th Parliament. However, it must be applauded for having debated and passed this significant piece of legislation. If corruption could be eliminated only by normal words of a statute, Uganda would be hailed as the least corrupt country in the world. Sadly,

these words are rhetoric to apply

with and enforce provisions of any given law. In theory, concept and purpose, the Anti-Corruption Act of 2009 is much superior and covers much more than the 1970 Anti-Corruption Act.

By taking into account and strengthening the provisions of the Penal Code Act, the Leadership Code Act and other related matters, the 2009 Act is simply superb. Even if only half of it were to be enforced, Uganda would be on its way to eliminating corruption altogether.

The Act has been condensed and reduced into a small pocket booklet by Uganda Debt Network. The booklet has largely been distributed to members of NGOs free of charge. I appeal to our government to make it possible for the Network to distribute it freely in all schools, institutions, colleges, ministries and other government departments.

Job seekers and candidates for appointment in government departments, public institutions and agencies should be specially advised to acquaint themselves with the definitions of corruption and embezzlement which are amply illustrated in the Act. Sections 3, 4, 5, 6, 7, 8, 9 and 10 are recommended for thorough

Even if only half of it were to be enforced, Uganda would be on its way to eliminating corruption altogether.



reading. The Commission on Tourism, Wild Life and Heritage recommended that certain reports which have remained hidden from the public should be availed to appropriate government authorities, management senior staff, Cabinet and appropriate parliamentary committees for information and action. Some

suspects are thinking of cha port. Sections 11 and 14 show everyone.

My colleagues and I on the looking forward to interve ics. They should have the e disposal to justify our f emendations. I am generous be equally prepared to resp ments and voices which wi so that whatever court or of us is properly guided.

We have been informed individuals who were nam suspects in the Report of Inquiry into the then MTT mismanagement of the PA disappearance of billions a case to have the report c

As Commissioners, we being summoned and que dence on which the report the challengers or their co copies of the report or the oral evidence which inclu audible admissions of the able them to criticise the findings of the Commission. Report explains written tuted part of the rational

If the challengers are re jecting that evidence inc own mouths, we shall ha but before the anticipa ics of the Commission's themselves with a copy Act 2009

Justice Kanyeihamba is a Judge. gkyary@yahoo.com

Uganda's debt hits record

By STEVEN CANDIA

Uganda's external debt has doubled over the last four years, rising to an all-time high of \$5.5b (about sh15.3 trillion), according to a new report.

This comes amid concerns of poor loan absorption and projects lagging behind, triggering unease among key stakeholders.

The report by the Uganda Debt Network notes that although Uganda's external debt has not yet reached crisis levels, there was reason to worry because it is expected to soar to \$12.9b (sh36.12 trillion) in the next four years, pushed up by a projected \$8.2b (sh22.9 trillion) new loans.

The report also paints a grim picture of Uganda's loan portfolio, one riddled with a lot of irregularities. These include lack of a standard loan approval and appraisal criteria and poor absorption and utilisation of loans as evidenced by large amounts of undisbursed loans. Others are the lack of feasibility study reports for some projects and poor counter-funding by the Government. The report warns that the irregularities pose a danger to projects.

"These implementation challenges often derail the outcomes of entire projects," the report presented at the Grand Imperial Hotel in Kampala recently, indicated.

"In April, a total of \$669m

Debt is at sh15 trillion. But finance ministry says there is no need for worry

In new loans was approved by Parliament, increasing Uganda's foreign debt to \$5.5b, the highest in country's borrowing history," it added.

The report was presented by Gabriel Wasswa, an economics lecturer at Makerere University and Robert Wasswa.

Speaking at the function, Prof. Edward Kakonge, said the finding were disturbing.

"This shows the country's loan portfolio is in a state of confusion."

But Moses Bekabye from the finance ministry dispelled the fears, saying Uganda's debt was sustainable. "There is no need for worry, given the discovery of oil and the expected revenue," he argued.

However, several discussants cautioned about being too

Selective prosecution cannot eliminate corruption



Adeliah Agaba Justice

According to the National Strategy to Fight Corruption and Rebuild Trust and Integrity in Public Office 2004-07, corruption in Uganda has become endemic and systemic. The 2010 Annual Corruption Perception Index (CPI) by Transparency International shows that Uganda is among the most corrupt countries in the world. Out of 178 countries, Uganda was ranked 127th.

Recently during the induction ceremony of new MPs, the Inspector General of Government (IGG), Jagdish Bala, was tasked to explain why not all officials implicated in the Chogin report were prosecuted for their involvement in the mismanagement of public funds. IGG asked the IGG to resign for handling the alleged Chogin offenders in a selective manner and that his decisions were not independent from the Executive.

Gilbert Bukenya, who has been charged before the Anti-Corruption Court with abuse of office and breaching of the PFDA guidelines during the procurement of executive cars for the Chogin meeting. Intriguingly, the IGG sponsored Prime Minister Amama Mubambi who had also been implicated in the Chogin report for his role in the procurement of security communications system for the 2007 meeting. The IGG claimed there was no evidence to implicate Mubambi and recommended his file to be closed.

It should be forgotten that we have witnessed this kind of selective prosecution before. Former Works Ministry chief engineer Samson Baguma was tried and convicted by the anti-corruption court for causing the government a financial loss of over Sh16 billion, while former NSSF chief David Chandi Jamwa was also con-

vinced in financial mismanagement. Why did the others escape prosecution?

We have recently seen selective application of the law in the evicting of former Mayor Nasser Sebaggala from the official residence of the town clerk. Why has Kampala City Council Authority not used its power to evict Gen. David Tinangira from the official residence of the mayor in Kololo? This discriminative application of the law raises one lingering question: what criteria are followed to prosecute some officials while exempting others?

According to Chapter Four of the Uganda Constitution, "All persons are equal before and under the law in all spheres of political, economic, social and cultural life and in every other respect and shall enjoy equal protection of the law." As such, selective prosecu-

It should be noted that Justice Bosco Katutsi, while sentencing Jamwa, opined: "Selective prosecution must be condemned because you cannot simply pick one person and leave others. Selective prosecution is evil."

Believe it is the duty of government law enforcement institutions such as the Police, the Directorate of Public Prosecutions and the IGG to ensure public confidence in their offices. These institutions ought to remain independent. The fight against corruption should be a deliberate government effort to root out corruption, not to pick and choose donors or settle political scores.

The sooner we eliminate this discriminative prosecution, the better. Otherwise, relying on selective prosecution to eliminate corruption is akin to writing on water.

Reward graft investigators

By ANNE MUGISA

The Government should reward graft investigators with 10% of the money recovered from corrupts, the former head of the Anti-Corruption Court, Justice J. B. Katutsi, has advised.

Katutsi said cases are usually lost at the investigations level when those under public microscope the poorly paid investigators.

"In court, we deal with

evidence. The IGG is paid sh18m per month, while the small investigator is getting sh200,000. That is not fighting corruption," Katutsi said.

"I suggest that the policeman who investigate and secure a conviction should get 10% of what is recovered from the convicted - embezzler. Otherwise, you should know that the corrupt have money and can give an investigator a few hundred dollars and the case dies," he added.

Sh3300

The amount of money Uganda loses through corruption annually

The mirror judge discussing a report by Uganda Debt Network on corruption in Uganda, as presented at Hotel Africa

The Media

allenging the Re-
d be noted by
at Commission are
ing with our cri-
vidence that was at
findings and recom-
sly advising them to
pond to facts, docu-
ll include their own
ribunal will hear all

that one or two
ed as culprits for
the Commission of
T and UWA-UWEC
MSU OJA and
of shillings have filed
quashed.

ook forward to
on the evi-
is based. None of
ounsel has sought
10 miles of recorded
the verbal and
e challenges to en-
dings and recom-
mission. Part II of
evidence that consti-
e of the Report,
really serious in re-
tuding that from their
ve a lively exchange,
ed hearing, the crit-
report need to arm
of the Anti-Corruption

etised Supreme Court

high

optimistic of the oil discovery,
wondering why a country that
benefited from a 2006 debt re-
lief initiative could again ac-
cumulate a huge debt in a short
time.

"We need to invest in trad-
ables if we are to ably manage
our debt," a discussant said.

Former ethics minister Miria
Matemba, wondered why the
country does not have a list
of loan-funded projects and
accused the Government of
squandering loan moneys on
useless initiatives.

Another participant, John
Ngabirano, argued that the
Government approach of using
interest rates to tame runaway
inflation was warped, saying it
would stifle lending.

Investigators - judge

Kampala yesterday.
The report quoted a previous
World Bank report, saying
Uganda scores about \$530b
annually due to corruption and
procurement malpractices.
Katuti also blamed
Ugandans who refuse to give
information regarding corrupt
practices. "If you know someone
who is engaged in corruption
and you keep quiet, you are
also corrupt. It takes two to
sings," he said.
Katuti noted that fighting

graft was more difficult. He
said: "I was surprised to hear
that a Court of Appeal had
released someone on bail on
grounds that he was the sole
bread winner. The corrupt ar-
ranger that our investigating
officers. They derive ways of
bustering investigations."
Former ethics minister Miria
Matemba blamed graft on the
Government.
She said: "The leadership of
this country has succeeded in
corrupting the nation."

Time for government to become prudent in decision-making



Maureen Agaba, Police Officer

In a three-officer encounter, Maureen Agaba, a police officer, was involved in a decision-making process. She was asked to advise on a case involving a person who had been arrested for a crime. She advised that the person should be released on bail, as he was a first-time offender and had a good character. The police officer accepted her advice and released the person on bail.

of ethics and local level lights are those of local sources. Meanwhile, Maureen Agaba, a police officer, was involved in a decision-making process. She was asked to advise on a case involving a person who had been arrested for a crime. She advised that the person should be released on bail, as he was a first-time offender and had a good character. The police officer accepted her advice and released the person on bail.



Christine Byiringiro, Corruption

Time is now for Ugandans to rise against the cancer of corruption

We must reflect upon our individual and collective effort towards the elimination of corruption from our midst. According to the World Bank, Uganda has an estimated \$200 billion per year to corruption. And yet, year after year, the country remains a poor service delivery. In the form of poor service delivery, the media reports that the Uganda Revenue Authority (URA) has lost a billion shillings due to a severe blood crisis that had led to the death of a senior official. The media reports that the Uganda Revenue Authority (URA) has lost a billion shillings due to a severe blood crisis that had led to the death of a senior official.

have saved her life. Another mother, Jennifer Agaba, also died in Area Regional Hospital in December 2009 due to a severe blood crisis following a heart operation. There were deaths of more mothers in the same hospital. Jennifer Agaba was a mother of a child who was born with a heart condition. She had to take her child to the hospital for a heart operation. The child died during the operation. Jennifer Agaba was a mother of a child who was born with a heart condition. She had to take her child to the hospital for a heart operation. The child died during the operation.

continue to dominate the list of officials suspected of involvement in huge corruption scandals. In addition, big government institutions and agencies have been recently topped the list of the most corrupt institutions, including the Police, Judiciary and district local governments. Uganda is also a signatory to the UN Convention against corruption and the AU Anti-Corruption Convention. At Parliament Speaker Rebecca Kadaga recently said, a recent Transparency International Index on corruption ranked Uganda among the most corrupt nations in the world - and second worst in East Africa.

Humour



John Bosco Katuti said there is a big possibility that high of corruption such as the mismanagement of the Global Fund

Despite Parliament approving a record \$10 trillion budget for the Financial Year 2011/2012, salaries for teachers and other public servants



Bertha Byelja, Sugar Crisis

Removal of taxes on sugar alone cannot stabilise the economy

In the early 80s, Uganda's economy was in jeopardy leading to the government's introduction of a new shilling, worth 100 old shillings along with an effective 70 per cent devaluation. Ugandans complained that inflation quickly took the new currency's value.

All government's efforts to bring the economy under control succeeded in reducing the country's staggered inflation from over 300 per cent in 1986 to about 72 per cent in 1988. Then the government contributed to rising inflation by increasing the money supply to purchase coffee and other farm produce and to cover increased security costs in early 1989, a year in which inflation was estimated at more than 300 per cent.

The government should cut taxes on fuel considering that diesel is now at Sh3,750 and petrol at Sh3,750. The government tried to curb inflation by increasing disbursements of import support funds and tightening controls on credit. These measures helped lower the rate of inflation to 30 per cent by mid-1990, but by late 1990, inflation had once again resumed its upward spiral. In today's situation where inflation is at 18.7

Agaba Adellah On contractors

We need honest contractors for positive change

Recent media reports have shown that over Sh\$270b has been lost to contractors peddling forged government documents. And yet again, it is the Ugandan taxpayer to bear the brunt. Considering the huge sums involved in most of these government-awarded contracts, thorough scrutiny should be undertaken to avoid cases of forgery and the resultant financial losses suffered by government.

The contractor is supposed to oversee and manage improvement and remodeling of projects, to ensure that work is done to the satisfaction of the contracting body. This requires skills, expert knowledge, and lots of time on the site to ensure quality work is done.

With this kind of work, it is highly encouraged that contractors make it their duty to be honest and deliver as expected.

Lack of quality consciousness by contractors induces sub-standard inspection. This may

Corruption: Mr President, the buck stops with you



Walter Akwat, Corruption

The media has recently been awash with reports of prominent government personalities implicated in corruption scandals. Not surprising that for some of these people, it is not the first time - and may not be the last - that they squander public funds with impunity. What is surprising is that senior government officials have developed a habit to involve the President's name in corruption scandals. The President's name is often used to cover up the misdeeds of his officials. The President's name is often used to cover up the misdeeds of his officials.

President's attempt to top the town clerk's office with the council's legal regimes to eliminate the evil. After all, the country has also come to learn that certain individuals are above the law, as long as they enjoy the President's confidence. A list of these officials enjoying presidential protection have undergone 'noir' judicial trials on the pretext of prosecution.

Corruption times have heard the President urge to punish the corrupt, but with the exception of a few malice (small fish) in the pool of corruption, as Justice Vincent Katosi formerly put it to the former Vice President George Muganyizi, former SIO Director Teddy Ocheo and former NSSF chief Chandi James the country is yet to see any real change in the fight against corruption. The President has rightly continued to insist that he will not interfere in the work of institutions charged with investigating and prosecuting criminals. However, his public comments have tended to portray double standards. Daily Monitor reported last week that

UGANDA DEBT NETWORK
DISSEMINATION WORKSHOP OF DOSSIER ON CORRUPTION
AND REPORT ON PROCUREMENT CHALLENGES
Date: Tuesday 13th September, 2011
Time: 8:00am, Venue: Hotel Africana
"Say NO! To corruption for improved service delivery"



UGANDA DEBT NETWORK

Plot 424 Mawanda Road, Kamwokya

P. O. Box 21509 Kampala - Uganda

Tel: +256 414 543 974 / 533 840; Fax: +256 414 534 856

E-mail: info@udn.or.ug; Website: www.udn.or.ug