



**Office of the Prime Minister
Government of Uganda**

Proceedings of the Government Annual PEAP Implementation Review (APIR) Consultative Meeting

*Theme:
Achievement of the PEAP Results through Enhanced Partnerships*

Held at the Statistics House

12th July 2006

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Introduction

The meeting was chaired Permanent Secretary, Office of the Prime Minister - Mr. Martin Odwedo. He invited the Permanent Secretary and Secretary to the Treasury, MFPEd – Mr. Chris Kassami to make his remarks and invited the Deputy Secretary to Treasury – Mr. Keith Muhakanizi to make the presentation on the APIR.

PS/ST Opening Remarks

The PS/ST made the following remark as a preamble to the meeting.

He informed the meeting that the reason he had decided to only call his Government colleagues was to ensure that there was consensus on the APIR process. He went on to pose the following questions as a basis for the discussion that would follow:

Who is coordinating the PEAP Process? The PS/ST informed the meeting that the PEAP process is one that brings together several players and up till now it was not yet clear which institution was doing what in terms of coordination. He informed the meeting that National Planning Authority had a role, the Office of the Prime Minister had a role and so did the Ministry of Finance, Planning and Economic Development. He noted that this poses a problem especially in harmonising and clarifying the roles and responsibilities of the different institutions.

NPA and the PEAP process: On this point the PS/ST informed the meeting that it was apparent that the views of the NPA in relation to the APIR process were not coherent. It was necessary for the meeting to clarify on these roles so that as a Government we speak with one voice when talking to the donors.

PEAP Volume III Partnership Principles: The PS/ST informed the meeting that the Government and the donors had signed up to the partnership principles but not everyone in Government understood the implications of these principles and it was important that this meeting addresses this question. In this respect it was therefore apparent that in many cases, Government was also not clear on the principles of coordination for the PEAP process and we needed to come to a proper agreement before Government meets with the donors.

Donors: He also cautioned the meeting that there is a shift in composition and attitude of donors supporting Uganda and therefore it was important that Government does not take the donors for granted and should not put forward third rate proposals because these can be used as an excuse for drastic actions against the Government. He emphasised that it is important that we do not give anyone an excuse to claim that the Government is technically confused. He reiterated that, 'if there is going to be a reduction in aid, let it not be because of technical work.

He therefore invited the DST to make his presentation but keep in mind the we need to have a consensus on what is the role of the OPM, what is the role of NPA, what is the role of MoFPED and what is the role of sector ministries in issues that we are suggesting in this meeting.

Presentation on the APIR and Division of Labour Exercise

The presentation was made by the Commissioner Budget in the Ministry of Finance, Planning and Economic Development on behalf of the Deputy Secretary to Treasury. The presentation made key highlights in the Annual PEAP Implementation Review (APIR) process and the donor selectivity/division of labour exercise. The details of the presentation are contained in Appendix 1. The presenter also noted that the presentation was a joint effort between the Office of the Prime Minister, National Integrated and Evaluation Strategy (NIMES) and the MFPED. The two institutions had been holding meetings on both the APIR process and the Donor selectivity exercise.

Comments on the Presentation

After the presentation the PS/ST expressed appreciation to the officers from the Office of the Prime Minister and MFPED who had prepared the work and was happy that the two offices were in agreement on the issues involved in the APIR process.

He then made some specific comments on the issue of division of labour exercise, by noting that in budget support there is no earmarking of aid. The division of labour exercise presupposes that donors are working in a project mode. How we resolve this issue will be pertinent in our understanding of the division of labour exercise. He continued that this question begs a related question, which is; which way does Government want to go, is it project aid or budget support? Whichever way we choose, it has to be in line with the partnership principles. If we prefer budget support then earmarking will have to disappear. How we reconcile the issues of budget and donor support in this process is an important question for us to consider and he asked that the DST team that has been meeting to consider this issue.

A few other points were made relating to the need to refine the roles of each of the institutions in the APIR process so that everyone knows who is driving what and this had to be finalized before the APIR process kicks off.

In the presentation, when defining the milestones of the APIR, it was not clear who was going to sharpen the indicators. He ended by noting that he was still worried that the role of the NPA was not clearly articulated.

Another participant noted that what the discussion seems to point to is that the structure of planning in the country is still not very clear. Government established the NPA and the MFPED is still there and it is still doing the planning and OPM is taking on some roles. All these are formerly established Government institutions and there could be a possibility of clashing especially when it comes to financing and the sharing of roles. He noted that this is an issue that the meeting should consider.

On the PEAP, the participant noted that this is a good document that involves all elements of the economy but unfortunately the private sector is not adequately supported. He emphasised that with no support to the private sector one could have economic growth that is 'jobless', that is - only driven by donors.

The PS MoGLSD, noted that this meeting gives Government an opportunity to have a soul searching exercise and a common position on issues related to coordination. He then went on to ask the following questions:

Who does what in the context of the PEAP? He noted that to get an answer to this question one needs to deal with the following issues; who is doing what at the moment?, who helps to do it?, who should do it? After this then we can have national consensus on who should do it.

He informed the meeting that a good starting point is the Constitution (Schedule 6) that provides the functions for different institutions of Government. These functions can be aligned to specific line ministries. That would help to come up with who does what and helps to avoid confusion and 'living in boxes' as well as duplication.

On mode of financing between Government and the donors; the PS/MoLGSd asked the question, 'is project aid a problem or a symptom of a problem?' When we set the priorities we should ask whose priorities these are? Why do some donors want project aid? Some of them may want to focus on critical human needs which may not be addressed through budget support and that may create differences in the preferred mode of financing.

He said that there is a need for Government to understand the cross-sectoral and cross-cutting issues that have led to different Government institutions competing for interventions among sectors and this should be avoided. He gave an example of the community development officers who are in place and yet some ministries want to create personnel to do the same thing in the same places as the community development officers. He therefore concluded by saying that where a function is located should not be the problem but if we are able to perform that function satisfactorily.

A civil society participant noted that what was important is not for the Government to go back and consult the Constitution but to try to live by Constitutional discipline. He asked the question, 'why do donors prefer projects?' The participant suggested that one of the primary responsibilities of donors is creating jobs for their citizens and donors do not lose money even if aid is squandered.

The participant added that although the technical dimensions of the development process must be right, there should be a point where the technical meets the political. He added that it is sometimes not easy to reach a consensus because in most cases we are implementing political decisions rather than policy decisions.

On the point of donor goodwill – a participant wondered why is donor goodwill reducing and what are the scenarios in the coming years. We suggested that we may need to reflect on that issue and build scenarios for the future.

DST gave information to the participants that they should read PEAP Vol. III p.69-77 on issues on budget support. This document sets out what Government agreed with the donors.

On Division of Labour (DOL) and budget support he noted that the key question we should be asking is – ‘suppose we are to continue budget support how would DOL look like’. He noted that the donors in budget support will have to work on issues coming from the sectors and not necessarily on issues they are funding only. In such an exercise competence mapping will have to be done so that donors support sectors in a manner that allows for all sectors to grow.

Director General Health Services expressed appreciation for such a meeting and informed the meeting that the health sector always conducts annual reviews. He noted that the modality of conducting annual reviews if adopted for the PEAP process will help Government to refocus the PEAP and allow Government to revise the PEAP appropriately. He also expressed the need to harmonise donor support and DOL. He asked that Government should ensure that it is very specific and clear on what it means by DOL. He also cautioned that Government has to be aware that donors sometimes work in sectors and they would like to be recognised and visible.

He emphasised that the Government knows what it is doing but the biggest problem is gross under funding for structures that have been agreed upon. This is sometimes the reason why projects are there because they bring resources to sectors and allow for some level of flexibility. He shared with the meeting the experience of the MoH where there are many structures implementing different aspects of the Health Sector Strategic Plan and noted that these have to be harmonised and the sector identify where different donors have comparative advantage.

Responses

Responses by the Commissioner Budget, MFPED – Kenneth Mugambe and the Assistant Commissioner, Coordination and Monitoring OPM – Peter Sentongo

He noted that as a starting point, the APIR will have to review what was set out in the PEAP and then agree on how to update the indicators in the PEAP Results and Policy Matrix.

He also noted that as Government there is a need to ask if it is ready to use all the PEAP indicators as triggers for resources – the PEAP has replaced PRSC and hence Government has to carefully review the indicators in the PRSC to decide which ones of those will be used as prior actions for financing the PEAP.

Government has already agreed that the preferred mode of aid is still budget support but what is being proposed is that in terms of DOL, donors may have a role in enhancing policy debate in a specific sector even within the budget support modality.

Assistant Commissioner, Coordination and Monitoring OPM supplemented the responses by underscoring that the origin of this debate is that coordination should become part of the Government machinery so that Government institutions work together more efficiently. He pointed out that the PEAP matrix was added for a purpose to the PEAP document – this is because monitoring is not about looking at indicators but it is also about understanding how different institutions of Government are achieving PEAP results. The PEAP matrix is a tool for enhancing coordination.

The review mechanism is a tool that works to help the Prime Minister to report on Government and Parliament on the implementation of the PEAP.

On the question of the role of the NPA, the DST noted that everyone does planning in Government and what the NPA does is coordination of the planning processes of Government.

On the question of who does coordination of the PEAP Results and Policy Matrix he informed the meeting that the coordination of the PRSC as well as monitoring the implementation of the PEAP is spearheaded by the OPM working together with MFPED.

PS/OPM clarified that the PEAP Results and Policy Matrix was done by all sectors during the PEAP revision process. He added that at a meeting of the Permanent Secretaries they had agreed that donors should put aside their matrices and have clear indicators in the PEAP Results and Policy Matrix so that Government and donors are all monitoring the same thing.

Plenary Discussion

The NPA Acting Executive Director Dr. Lugoloobi was asked to make some comments and he informed the meeting that the NPA was coming up with a framework for planning that should be agreeable to all stakeholders. The framework would guide long and medium term planning. He said that the draft copy of the planning framework was available for stakeholders to review and make comments. The key elements to note in the framework are:

- There is going to be a long term vision for Uganda and the Vision 2025 has been reviewed and replaced by the Vision 2035. The vision is expected to last for at least 30 years.
- The second element is the long term development plan that identifies key national priorities without budgets and it is proposed that we have a least three national development plans.
- We should also have a 5 year national development plan which is the equivalent of the PEAP. This plan would be broken down into activities and the plan should be monitored and it should also have targets that can be monitored by the various sectors of Government. This plan should also have a monitoring framework.
- It is expected that all the development issues identified in the PEAP will be rolled into this document and the emphasis will be on the PEAP and there should be a medium term review after two and half years so that we can check progress of this plan.
- Traditionally Government has annual budgets and plans and these will continue as well as he decentralized planning process.

The meeting was informed that the draft of the national vision 2035 was available and this year and NPA is embarking on the development of the 5 year development plan.

PS/ST then asked the question, 'How do we move forward on this?' He observed that it is clear that there are two parallel processes going on. There are two different aspects of planning which are ongoing and both are spearheaded by the same Government.

PS/OPM noted that we have to recognise that we are talking about critical documents that shape the destiny of our Nation. It is therefore imperative that how the PEAP exits from the planning and policy cycle must be in an orderly manner and this is where the OPM comes in as an institution whose work is to coordinate and monitor Government.

The PS/ST invited the meeting to agree that the NPA should work with the committee of the DST that is in charge of spearheading the work around the APIR and the DOL exercise.

A participant noted that it does not make development sense to have a plan that is not aligned to the existing plans in the country. For a new plan to be developed it should be based on an evaluation of the performance of the current plan and in this case the PEAP. This should be after an evaluation of the current PEAP.

The Assistant Commissioner, Coordination and Monitoring OPM suggested that instead of a new plan being developed all institutions should implement the current plan and then participate in a comprehensive review of that plan in 2008 and then the process of doing another plan follows from there onwards.

The DST reminded participants that until Cabinet has approved a plan, it is not a plan, therefore the plans by NPA will have to be worked on until Cabinet approves them. Once that happens then we shall have a new plan in place.

The Head of the Media Centre asked the question of where the three critical documents that are being debated converge – that is the PEAP, the Manifesto and the NPA plan. He noted that it will be important that clear linkages are established.

He also proposed to the meeting that it agrees to a clear communication strategy for Government. This is important to ensure that Government information is not distorted but presented in a simple manner that is understood by local citizens. This will help to ensure that the plans Government makes as well as service delivery is relevant to local people.

A participant noted that Government needs to create appropriate synergies between the different institutions. NPA has to come on board and what is happening is not appropriate. Government needs to redefine the roles and responsibilities of institutions so that they are clear.

The PS/ST moved the motion asking the meeting to agree that before another plan comes in Government should agree on sequencing the plans so that Government can have new plans developed that are linked to the old plans.

The Acting Director, NPA clarified that NPA is not suggesting that Government does away with the current plans but that there is a need to develop a framework of doing planning. He added that NPA is not talking about a shift in what Government is doing. NPA recognises that the PEAP is still the main planning document.

Assistant Commissioner, Coordination and Monitoring OPM responded to the issue of linking the PEAP and the NRM Manifesto, by observing that the Manifesto has got 146 policy actions that give the direction where the Government is going and these are very consistent with the PEAP policy action. There are about 4 actions that need to be introduced into the PEAP. The various policy actions should be streamlined through the APIR mechanism. An analysis of the NRM manifesto policy actions clearly shows that they are not different from the policy actions of PEAP. However, what Government needs to agree on is the framework through which Government plans will be revised taking into consideration the Manifesto of the ruling party after every 5 years. There is therefore a need to discuss the timing element so that we do not have a mismatch in policy-planning and regime change.

It was agreed that even before we get to the APIR there is a need to synchronise the PEAP and NRM Manifesto policy actions.

A participant noted that the current scenario where the incumbent Government won an election is a good scenario but another scenario is if another party came in Government then it becomes pertinent that we bring together the Government planning processes with the regime change process.

Another participant observed that as technocrats in Government we should lead development and we therefore need to have a principle document that is technical and we should try to influence the general thinking of politicians with this document so that when they come into Government they can support a broad development agenda.

The PS/ST suggested that we should agree to run the PEAP until 2008 and after that there will be a successor plan which starts in 2010 and have the PEAP can be extended up to 2010 as we evaluate the PEAP and also design a new plan. Government should agree on a timetable. He however cautioned that there us a need to make sure that things do not become very complex especially within the Government planning process.

Closing

Closing and Summary of Major Issues Agreed in the Meeting by PS/OPM

The meeting agreed that Government should have a plan supported by all and currently that plan is the PEAP.

Government should speak with one voice so that it does not send mixed messages about the planning process

Consultative processes for all the plans should be wide so that all stakeholders are adequately consulted

All fears over coordination and monitoring of the planning processes have now been allayed.

It is agreed that OPM, NPA and MFPED will continue to work together on the APIR process.

A meeting should be held with the Development Partners and the decisions reached in this meeting should be communicated. The DST should propose a date to meet with donors and communicate it to all the concerned parties.

The consultative meeting ended at meeting 12:30 p.m.

Appendix 1: Presentation on the Annual PEAP Implementation Review and Donor Harmonisation

Introduction

The Poverty Eradication Action Plan (PEAP) is Uganda's overarching plan for poverty eradication, originally formulated in 1997 and the latest revision in 2004. It builds on wide consultations between government, civil society and external donor partners. It serves as a consensus-building process for expression of national development aspirations – and for prioritization of needs. It guides the planning and management of the Government of Uganda's operational activities for national development and for attainment of the MDGs.

APIR Strategic Objective

The APIR framework will enable GoU and other stakeholders to make decisions to keep the PEAP on track by:

Improving planning, budgeting and implementation of activities leading to realization of PEAP outputs and outcomes, and providing inputs to adjustments to the PEAP via an inter-sectoral review mechanism

Measure and track changes in PEAP results

Foster an understanding of cross-sectoral and cross-cutting activities

Build a bridge between the work of the SWGs and the PEAP objectives and key results

Provide clear links between inputs, activities, outputs, outcomes and impacts

Ensure better coordination between core stakeholders (Parliament, Cabinet, MDAs, LGs, CSOs, development partners, etc.)

Incorporate lessons learned in future plans and activities

Eliminate duplicative M&E systems

Provide rationale for annual adjustments to PEAP activities, rather than just every 4 years

APIR Products

Each year, the APIR will deliver:

A review of government-wide performance for the previous FY

Identification of lessons learned and implications for the current FY activities

A prioritized list of investment areas for the next FY for LGs, sectors, and MDAs

A Policy and Programme Report to Cabinet and Parliament

A revised PEAP Results and Policy Matrix

APIR Schedule

First APIR in Dec 2006

Will evaluate FY2005/06 performance

Will influence FY2007/08 Budget

Second APIR in Dec 2007

Will evaluate entire PEAP-III (2004/05-2007/08)

Will influence development of PEAP-IV

APIR Inputs

In addition to the sector/pillar reviews, APIR will be informed by

The Poverty Status Report
Sectoral Joint Review Reports
Statistical Survey Reports
Budget Framework Paper
Background to the Budget (MoFPED)
Budget Performance Reports
Local Government Assessments
Public Expenditure Reviews
MDA administrative data
Self-reported qualitative data
CSO M&E reports
Programme and project M&E reports
Review of Development Partners' Compliance with Paris Declaration on Harmonization
Analytical output from research and other relevant studies
Analytical work on donor harmonization and alignment

APIR: Who and How?

Between now and APIR event in Dec 2006:

OPM & MFPEP will organize/facilitate overall activities
Sector Working Groups will:
Continue to work on sector reviews

Challenges

In developing the APIR Framework, the key challenges will be:

To develop a transparent process with broad participation of stakeholders including donors in all the phases, and attempt to align budget to the achievement of PEAP Results

To establish the causality between inputs, activities, outputs, outcomes and impacts

Managing the performance and results process: who, how and when?

Alignment with budget/MTEF process

Establishing strong SWG and PWG relationships

Specific GoU reports to be consolidated into PEAP review cycle

Interchange of data between: central and sector MIS's, and local government data collection and information use system

Questions for Discussion

Is the APIR process/methodology clear?

Will the identified APIR products be useful/relevant?

Is the process for and level of stakeholder involvement sufficient?

Donor Division of Labour

PEAP 2000 “Building Partnerships to Implement the PEAP”

Key Objectives

Improved donor coordination

Improved donor harmonisation

Improved aid effectiveness Objectives Con’t

Reduced transaction costs

Enhanced policy dialogue

Better alignment of aid with national priorities

All this is done to support the Gov’t to achieve development results as defined in the PEAP

Process and Responsibilities

Self-assessment Questionnaire to be filled in by HoMs (DPs)

SELF-ASSESSMENT

The questionnaire captures:

SECTOR WORKING GROUPS

Development partners, GoU, stakeholders

Policy dialogue and capacity development

Appendix 2: List of Participants

	NAME	TITLE	ORGANISATION/MINISTRY
1.	ABDUL MUWANIKA	PE	OPM
2.	ALILE GEORGE	COMMUNICATOR	COMPACT
3.	ANGELLA KARAME	PSE	MTCS SECRETARIAT
4.	BABIRYE JOYCE	SPRO	OPM
5.	BALABA KEVIN	PPA	MOD
6.	BATEGEKA LAWRENCE	RESEARCH FELLOW	EPRC
7.	BAZIWE ISAAC	ECONOMIST	MEMD
8.	BYAKUSAAGA BISUBYE	HPPU	MOJICA
9.	CHARLES BYARUHANGA	ADVISOR/BUDGET	MFPED
10.	CHARLES OWACH	OFFICER IN CHARGE	FAO
11.	CHRIS KASSAMI	PS/ST	MFPED
12.	CONSTANTINE BITWAYILA	DIRECTOR	NPA
13.	DEO KAMWEYA	ECONOMIST	MFPED
14.	DHATEMWA .A	AC/P&B	MOES
15.	DR. ARYAMANYA MUGISHA	EXECUTIVE DIRECTOR	NEMA
16.	DR. FRANCIS RUNUMI	LHS (P)	MOH
17.	DR. SAM ZARAMBA	DGHS	MOH
18.	EDGAR AGABA	EXECUTIVE DIRECTOR	PPDA
19.	EDITH NAMUTEBI	FSO	MOFA
20.	EMORUT-ERONGOT .S	AC/PP	MOLG
21.	ENG. RICHARD CONG	AC/WSLD	MOWE
22.	FRANZ BREITWEISER	HEAD OF MISSION	AUSTRIAN EMBASSY
23.	GABRIEL HATEGA	EXECUTIVE DIRECTOR	PSFU
24.	GODBER TUMUSHABE	EXECUTIVE DIRECTOR	ACODE
25.	HEGE GUNNI	ECONOMIST	NORWEGIAN EMBASSY
26.	JENNIFER MUWULIZA	HEAD/PLANNING UNIT	MFPED
27.	JEREMY AGUMA	ECONOMIST	RAFU
28.	JOHN A. OKIDI	EXECUTIVE DIRECTOR	EPRC
29.	JOY MUKAIRE	CONSULTANT	NIMES
30.	JUUKO SYLVIA	B/SS WRITER	NEW VISION
31.	KABUSHENGA ROBERT	EXECUTIVE DIRECTOR	MEDIA CENTRE
32.	KALANGUKA-KAYONDHO	C/ALD	MFPED
33.	KAMANYIRE VICKY	SENIOR ECONOMIST	MFPED
34.	KATURAMU DEBORAH	DIRECTOR/HR	MOPS
35.	KAWANGUZI KEPHA	INTERN	PMAU (MFPED)
36.	KEITH MUHAKANIZI	DST	MFPED
37.	KIMONO N.S	US	MAAIF
38.	KIZZA LAWRENCE	Ag. DIRECTOR/ECON AFFAIRS	MFPED
39.	KWESIGA JOHNSON	ACCOUNTANT	MTTI
40.	KWEZIRA KIBUYE RICHARD	PRINCIPAL ECONOMIST	LGFC
41.	MARTIN ODWEDO	PS	OPM
42.	MATHIAS OFUMBI	M&E OFFICER	RAFU
43.	MAX OCHAI	PRINCIPAL ECONOMIST	MFPED
44.	MICHEAL TUKEI	AC/MEPD	MFPED
45.	MOSES ZZIWA	SENIOR ECONOMIST	MFPED
46.	MUGAMBE KENNETH	Ag. C/BPED	MFPED
47.	MUKASA MALE JOHN. B	EXECUTIVE DIRECTOR	UBOS
48.	MUKASA STELLA		NCG

	NAME	TITLE	ORGANISATION/MINISTRY
49.	NABAWANDA PHIONA	INTERN	NIMES
50.	NAMAGGA IMELDA	PROGRAMME OFFICER	UDN
51.	NAMANYA NABOTH	PPA	MTTI
52.	NAMAYANJA JANE	ECONOMIST	MFPED
53.	NANSUBUGA .C	COMMUNICATOR	COMPACT
54.	NDAGIRE DIANA	INTERN	NIMES
55.	OBONGOO DAVID	PS	MGLSD
56.	ODONGO TOMSON	ECONOMIST	MFPED
57.	OGWANG JOHN	IMSES	NEMA
58.	OODO OBELLA	AC/ALD	MFPED
59.	OPIO OWALU .C	AC/PA	MOWT
60.	RICHARD SSEWAKIRYANGA	TEAM LEADER	UPPAP (MFPED)
61.	ROSSETTE NAYENGA	POLICY ANALYST	MFPED
62.	SSEKAMATTE .J	CONSULTANT	ISAEMU
63.	SSENTONGO .N	AC/CM	OPM
64.	STEPHEN WASANJA	C/PLANNING	MGLSD
65.	TOM KAKUBA	ASST. DIRECTOR	PMA SECRETARIAT
66.	TUCUNGWIRE VIOLA	P/A	OPM
67.	TUKAHIRWA JAMES	SAS	MTTI
68.	WASIKE JOSEPHINE ONYA	US	MIA
69.	WILBER AINEBYONA	PRINCIPAL ECONOMIST	MFPED
70.	ZAAM NAMULI	SEN. INFORMATION SCIENTIST	OPM