



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

**Plan for the Annual PEAP Implementation Review
(APIR)**

August 2006

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1. Introduction

The Poverty Eradication Action Plan (PEAP) is Uganda's overarching plan for poverty eradication. The PEAP, from its original formulation in 1997 and through to its second revision, builds on wide consultations between Government, civil society and external donor partners. As such, it serves as a consensus-building process for expression of national development aspirations – and for prioritization of needs. It therefore also guides the planning and management of Government of Uganda's (GoU) operational activities for national development and for attainment of the Millennium Development Goals (MDGs). Further in the new multi-party political dispensation, the ruling party's Manifesto articulates the roadmap for delivering significant and noticeable improvements of services to the citizens during its tenure of office. There is therefore a need to translate the Manifesto commitments into the PEAP Results and Policy Matrix.

The objective of Monitoring and Evaluation (M&E) is to enable Government to make decisions that will keep the implementation of the PEAP on track. M&E derives its value from the flow of relevant information to decision makers, who can then make informed decisions on whether modifications to policies and spending programmes are necessary. M&E functions well when managers at different levels of the public management system, as well as users of public services, are provided with reliable facts and analysis as a basis for public action. An important role of M&E is to keep other stakeholders besides the executive branch of Government (i.e. the legislature, civil society organisations and the public at large, as well as development partners) informed about progress being made in implementing the PEAP – thereby enabling them to offer informed advice to decision makers and, where appropriate, to modify their own policies and programmes accordingly.

The *Annual PEAP Implementation Review (APIR)* is a core event in the process of informing stakeholders about progress being made in implementing the PEAP. The APIR is based on linkages, synergies and complementarities between sectors and pillars and it informs the process coordinating different elements of the Government M&E strategy. This document provides a brief overview of the objectives of the APIR, the overall plan for the main activities and outputs in the APIR as well as the review process.

The following *Section Two* outlines the core objectives of the APIR. *Sections Three and Four* provide a brief note on the scope of work, methodology and links to other reviews. *Section Five* introduces the Work-Plan for the activities leading up to the first annual PEAP implementation review¹, the major steps in the annual review process, and the entire four years rolling PEAP cycle.

¹ An internal working document has been developed with the aim to specify the tasks, timing and division of responsibilities.

2. Objectives of the APIR

The overall objective of the APIR is to improve planning, budgeting and implementation of activities leading to realisation of the PEAP outputs and outcomes and provide inputs to current adjustments of the PEAP with the Results and Policy Matrix using an inter-sectoral review mechanism. The APIR is the framework that will enable Government and stakeholders like civil society, private sector and development partners to make decisions that will keep the implementation of the PEAP on track.

As part of this, the APIR is planned to create an understanding and proactive management of the PEAP throughout the outcomes/results realization process. Furthermore, the APIR process and event will contribute to the establishment of a system and procedures for coherent data collection and reporting and use of information to shape the future activities and decisions.

The review process is designed to address the challenges and gaps in the existing M&E and evaluation of the PEAP progress, particularly the:

- ❑ Need to pin down the strategic outcomes/results and performance indicators to measure changes in results;
- ❑ Need to create an understanding of the cross-sectoral and cross-cutting activities under the PEAP to inform the planning and budgeting processes;
- ❑ Need to build a bridge between the detailed work in the sector working groups and the overall PEAP objectives and key results;
- ❑ Links between inputs, activities, outputs, outcomes and impact;
- ❑ Need to ensure better coordination between and involvement of core stakeholders (the Parliament, the Cabinet, the MDAs, LGs, private sector, NGOs, CBOs, citizens development partners, and others);
- ❑ Need to use previous experiences and lessons learned in the future plans and activities (the review is going to be backward as well as forward looking);
- ❑ Existing duplicative systems of monitoring, realisation of impact, outcomes and outputs and the need to provide a strong consolidated, coherent GoU lead M&E review process;
- ❑ Currently rather long time-span between the reviews of the PEAP, which makes it hard to follow and adjust strategies between the PEAP revisions.

To be an efficient instrument in this process, the APIR will be well integrated with the existing budgeting and sector planning and review processes, particularly the activities in the sector working groups (SWGs). The APIR process will also be based on a close linkage between the SWGs (and SWAPs) and the pillar reviews that will be established. Through this process key results will be analysed and cross-cutting causality links explored. All these will be linked to the available existing and future funding plans. During the process, the way forward in prioritising future activities and performance measures (including investments) will be agreed upon.

While the overall direction of the PEAP, including the organisation of the pillars and the cross-cutting results areas will remain in place for the entire PEAP timeframe, individual results and policy actions will be subject to annual refinement and amendment based on the results of the APIR. The APIR will build on the sector review mechanism by enabling the public policy performance dialogue to move beyond intra-sector to inter-sectoral stakeholder discussions within the pillar framework.

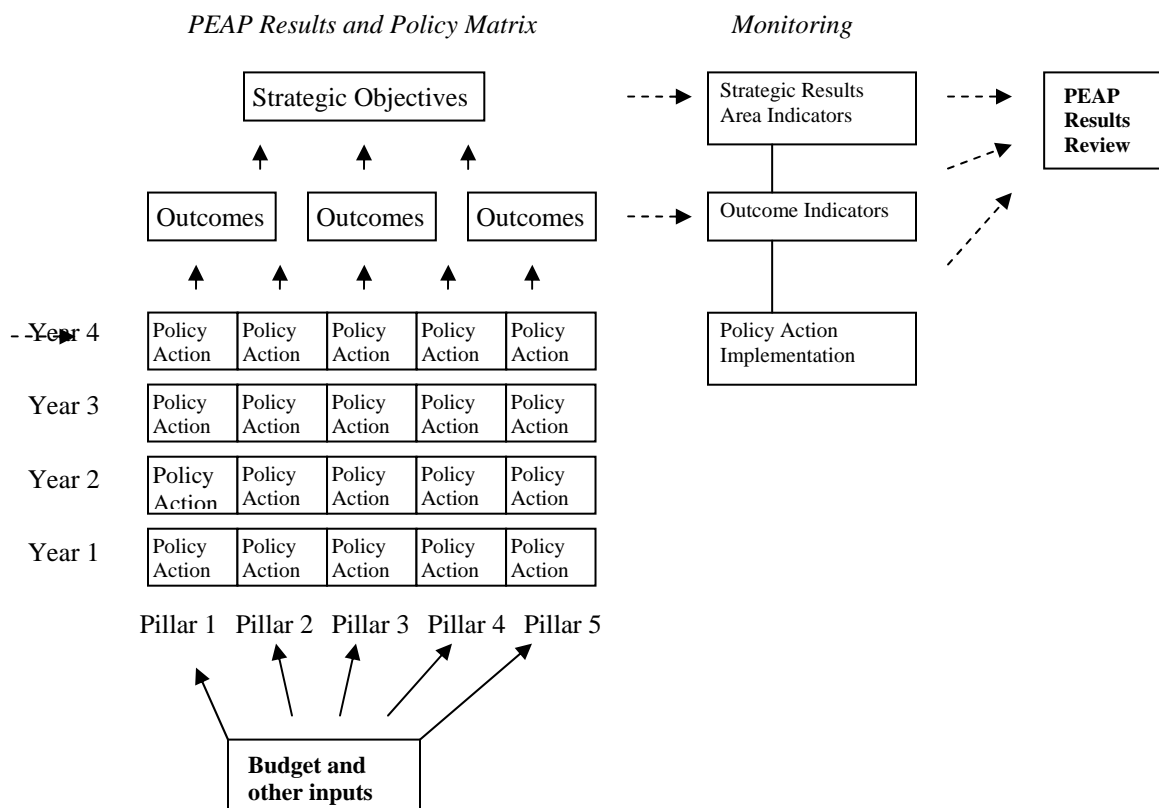
The products of the APIR will be:

1. A report of the review of the performance for the past Financial Year (FY 2005/06).
2. Identification of the lessons learned and implications of this performance for the FY (2006/07).
3. A prioritised list of areas of investments that should be considered by the local governments, the sectors (and MDAs) and the national budget framework for the FY (2007/08).
4. A Policy and Programme Performance Report to Cabinet and Parliament; and
5. A revised PEAP Policy and Results Matrix.

3. The Scope of APIR

While the APIR provides an overall structure of arrangements that has ramifications for data collection and management at all levels of Government, it does not seek to specify all those M&E activities that ultimately remain necessary for daily operational management within individual institutions. The APIR is built around the PEAP Results and Policy Matrix², which is organised as a hierarchy of goals as depicted in left-hand box of the scheme, see the Figure below:

1. The Logical Framework of PEAP Results Review



² The Matrix is uploaded on www.nimes.go.ug.

Specific planned reforms (policy actions) have been organized around the five PEAP pillars and have been identified for each of the four years spanned by the current PEAP. The logic of change is that a set of policy actions can positively influence an outcome whilst, in turn, improvement in a given set of outcomes are part of what characterizes attainment of a given strategic objective. Cutting across individual PEAP pillars and associated outcomes is the expectation of improvement pertaining to a small set of *Key Results Areas*, reflecting income poverty, inequality, human development and growth.

For each of the Key Results Areas and Outcomes one or more *indicators* have been identified and targets established, the monitoring of which will reveal the rate of progress. Data on these indicators come from different sources, but the established schedule of UBOS surveys affords an opportunity for reporting on most.

Working with relevant sectors, Government has finalized the profiling of the PEAP Outcome Indicators with a view of ensuring that their monitoring and evaluation will provide easy feeding into key policy decision-making processes of Government. The profile of outcome indicators is presented in accordance with each strategic objective and pillar. It looks at the precision in indicator definitions, indicator baseline information and targets, sources of data on indicators, and frequency of data collection and reporting. The profiles show that while some indicators are precisely defined and are measurable, others are not precisely defined and therefore alternative indicators are proposed as proxy indicators.

At the level of policy actions, progress is validated through observing the implementation of outlined reforms. Some of the policy actions have been expressed in a manner that allows for quantitative observation, although most reflect institutional changes that need to be subjected to more qualitative judgement.

The continuous monitoring of key results areas and outcome indicators, together with observation of implementation of planned policy actions and outcomes (to be captured in a schedule of periodic progress reporting), represent the raw material for the APIR. Naturally, progress reporting will (in addition to a factual description of the indicator and policy action status) need to include a narrative discussion of constraints encountered and challenges emerging.

The APIR will make use of the following sources of data:

- Budget information, particularly from the budget progress reviews;
- Previous Public Expenditure Reviews and tracking studies;
- Information and results from the sector review processes (from the SWGs and other reviews);
- Uganda Bureau of Statistics (UBOS) censuses and sample surveys, related to progress towards targets established for PEAP outcomes and strategic objectives and the district profile;
- Research and evaluation work done by various stakeholders – both Government and non-government actors;
- Administrative data, collected through Ministerial, Departmental and Agency (MDA) management information systems, reflecting allocation and utilization of financial resources, service delivery and, in some cases, progress towards PEAP outcome targets;

- Qualitative data and evaluations, e.g. from Participatory Poverty Assessments and programme evaluations;
- Data from Local Governments reporting and Annual Performance Assessments;
- Self-reported qualitative data on implementation of PEAP Policy Actions, constraints encountered and challenges emerging;
- Civil society reports on the performance of Government policy, programmes, and projects across the country. This source will be very useful in enriching the Government's own sources of information on performance of Government policies, programmes and projects. It will also be useful as it is one of the main channels of beneficiary assessments of public service delivery.

In order to facilitate coordination of the APIR, the OPM NIMES Secretariat has established a centralized PEAP information management system, comprising: the PEAP Results and Policy Matrix itself; the associated indicators, including details on the sources, methods and responsibilities for indicator data collection; and tables that are to be used to capture future progress reporting against the PEAP. The PEAP Results and Policy Matrix has been designed and developed into a relational database to ensure the storage and ease the use of information.

It is envisaged that for the sake of transparency and to facilitate discussions as well as progress reporting, the PEAP Results and Policy Matrix, together with the associated M&E framework, will be kept in the public domain on the NIMES' Internet website³.

Involvement of stakeholders

A key element of the APIR will be the institutionalisation of an inclusive stakeholder review process. In the APIR process (from data collection to the final review), it is important to ensure a strong communication to and involvement from all concerned stakeholders, particularly the following⁴:

- Parliament),
- Cabinet
- MDAs and sectors,
- Local Governments,
- Development partners,
- Civil society (NGOs, CSOs etc.),
- Private sector institutions.

³ www.nimes.go.ug

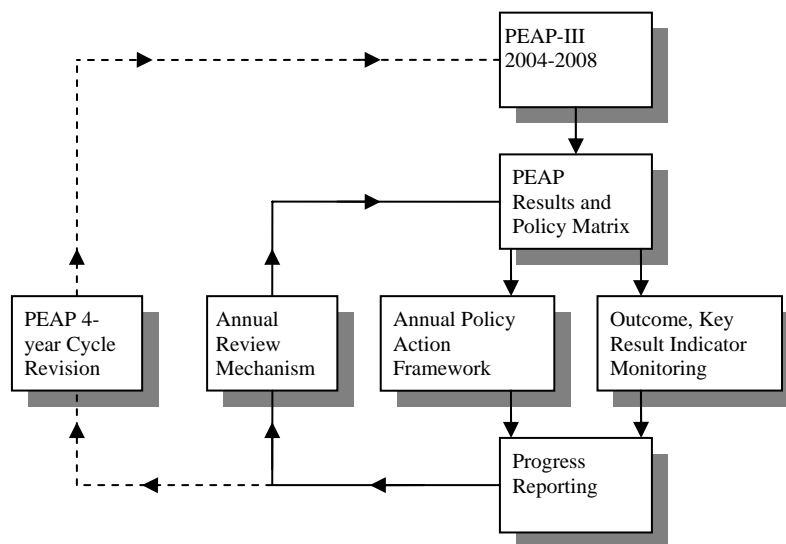
⁴ A guidance note on the methodology for involvement of various stakeholders in the review process will be elaborated prior to the pillar reviews.

4. Methodology - The *PEAP Results Review Framework*

The PEAP Results Review Framework

The PEAP Results Review Framework is performed in two stages: 1) as an Annual PEAP Implementation Review and 2) as a 4-yearly exercise. The overall PEAP directions, including the pillar organization and the cross-cutting Key Results Areas (with their associated indicators), will remain in place for the entire PEAP cycle, whilst the individual outcomes and policy actions will be subject to refinement and amendment on an annual basis. The main products of the annual review cycle are: a report on the progress and a revised PEAP Results and Policy Matrix. The product of the 4-year review cycle is a new version of the PEAP, see below:

Figure 1: The PEAP Results Review Framework:



The first APIR will take place in November/December 2006, the second in November/December 2007. The second APIR will also encompass an evaluation of the entire PEAP.

APIR - reporting

After completion of the annual review exercise, the PEAP Annual Report will be presented by the Hon. Prime Minister to Cabinet, Parliament and the citizens and may be the basis for the President's State of Nation Address.

APIR linkages to the budget process and sectors

The APIR will be linked directly to the different decision-making processes within Government, in particular the *planning, budgeting* and the *sector coordination mechanisms*. The review will utilise the *budget progress reviews* (the information on the budget outturns from the previous Financial Year) and gradually link to the review of activities, outputs, outcomes and impact with the inputs specified in the budget.

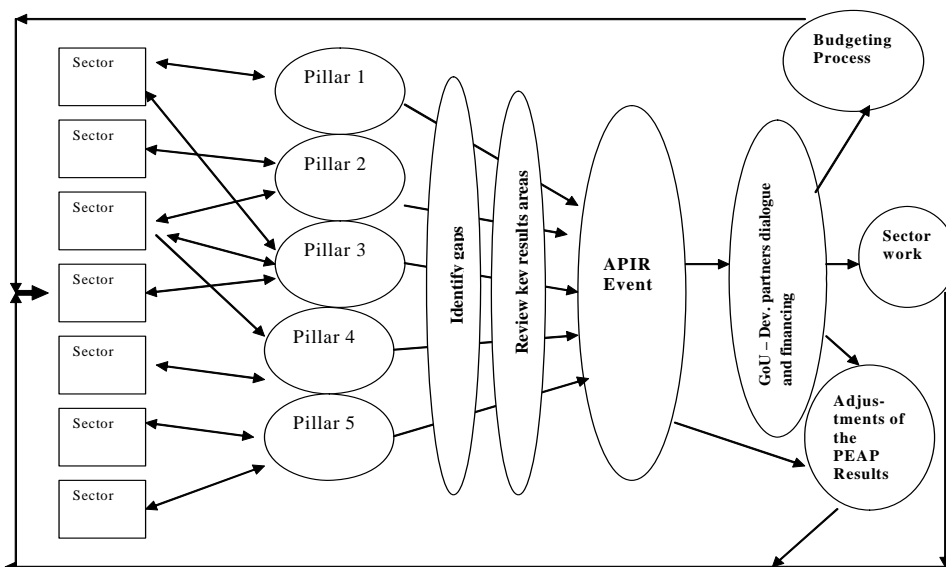
In this sense, the APIR will facilitate a better linkage between the Result Oriented Management (ROM) and the Output Oriented Budgeting (OOB) framework used by the Government. The review process will also inform the budget process since it will be both backward and forward looking. The timing of the APIR is designed to strengthen the use of budget and PEAP progress information in informing the finalisation of the MTEF Budget Framework Paper and annual budget. Budget issues (public expenditures) will therefore be closely integrated in the sector reviews as well as in the pillar work.

APIR linkages between the sectors and pillars

Strong linkages will be established with the ongoing *sector review processes*. A pillar review process will be established, which will be closely linked with the existing sector reviews, see the figure below. The two processes will be mutually strengthening, with pillar reviews particularly focusing on the cross-cutting and cross-sectoral issues and pillar results.

Some sectors will be active in more than one pillar, and some pillars will have representation of several sectors.⁵ The APIR will support and draw lessons from the sector reviews (which mostly take place in October and November). The analytical findings of progress at pillar level and the critical drivers of change will be an integrated element of the sector reviews. The sector reviews will have to relate their overall findings and results to pillar achievements. This will be an interactive process between the pillar and the sectors groups, and will be managed by the OPM.

Figure 2: Sector Reviews and the Feed-Back Mechanism



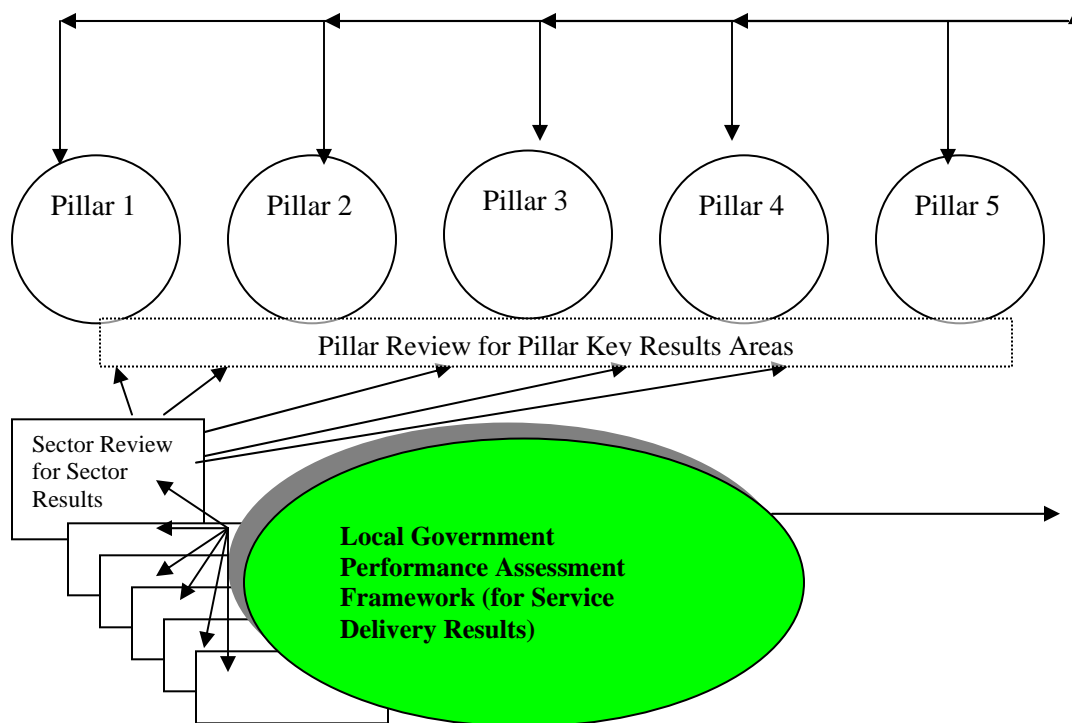
APIR links to the local government assessments

A need has been observed for improving the quality and coordination of the LG assessments and performance monitoring. The linkages between the assessments of the LG sector (inputs, activities, outputs and outcomes) and the cross-cutting (cross-sectoral) assessments of the LGs,

⁵ It should also be noted that some of the sectors are more established than others, with strategies, investment plans and review processes. The Sector Working Groups (SWGs) are the basis for performance based M&E in the public sector in Uganda. Therefore, it is critical that the functionality of the SWGs within the sectors that are not fully established and with no sector investment plans be encouraged to progress.

e.g. through the annual LG performance assessments⁶ and the annual reviews of the decentralisation reform process (JARD) will be improved as part of the APIR process. A review of the assessment tools will be conducted prior to the APIR event and a new tool will be pilot tested in a few LGs, see below. Part of the present sector review indicators will be included in the general review of the LGs through the annual assessments of performance and some of these will be linked to the future grant system (to ‘incentivise’ LG good performance). The comprehensive assessments will, among other issues, focus on the service delivery results drivers and analysis reasons for progress or challenges. The comprehensive LG assessments will inform the APIR process through the sector groups, but also directly through the pillar reviews in certain areas.

Links between the sector reviews of LGs and the LG comprehensive assessments



APIR links to the GoU-Development Partners dialogue

While the APIR should emerge as a government process, it is envisaged that it will also function as a consolidated external review process for development partners, whereby different partners undertake their respective national support programme planning and decision-making by adopting the PEAP M&E platform as a harmonized schedule of review and reporting.

In addition to assessing Government’s performance against the PEAP Results and Policy Matrix, the APIR will also consider the performance of development partners against the partnership

⁶ Supported by the Second Local Government Development Programme (LGDP).

principles as well as the indicators of the Paris Declaration on Harmonisation. This will make the APIR an exercise in mutual accountability between Government and development partners.

Although it is budget support partners who have generally aligned their programmes most directly to the PEAP framework, it is envisaged that project-level assistance will also be aligned to the APIR. All development partners will be invited to take part in the preparation and implementation of the APIR, where emerging needs and funding opportunities will be discussed. Likewise, partners are invited to bring individual project and programme evaluations to the attention of the review meetings and to align the programme and project reviews with the framework of the M&E PEAP review and revisions rather than employ parallel mechanisms. The outcome of this process will be presented for endorsement by all stakeholders at the first APIR event. Government and development partners will also work to set mutually agreed upon indicators to assess the annual performance of the development partners.

In terms of alignment with both Government and development partners' decision-making cycles and requirements, the APIR will inevitably need to be an evolving mechanism which will be refined based on lessons from the first review.

5. Brief Overview of Work-Plan for the PEAP Implementation Review⁷

5.1 The Process Leading up to the First Annual Review

The following activities will be completed as preparatory steps for the APIR:

A. Formulation and Preparation Phase: May – August 2006

Technical work on the design of the review – including elaboration of work documents:

- Preparation of: i) the concept note on the APIR itself, ii) ToR for pillar reviews, and iii) analytical work based on existing documents from sectors, which can inform the pillar on progress and constraints. Pillar facilitators will be contracted and trained to support the work in the pillars. A methodology test using pillars 2 and 5 as examples (August-September 2006).
- Guidelines for the review process elaborated as well as a first guidance note on the pillar report format and contents. Guidance notes on critical issues such as multi-stakeholder involvement, addressing cross-cutting issues, and linkage to the budget processes produced: August 2006
- Identification of gaps in the analytical work and drafting of ToR for studies to be completed as part of the review process (governance framework, gaps in the results and Policy Framework): August 2006

⁷ The OPM has designed a detailed internal work programme, which will be refined during June and August 2006. Guidelines for the APIR will be issued to all stakeholders for comments and finalised by the end of August 2006.

- ❑ Clarification of the role of various stakeholders and development of ToRs for various stakeholders (MDAs/Sectors, TA support etc.): July-August 2006

Milestone: Submission of the APIR work-plan and ToRs for Pillar Facilitators, Sectors, CSOs and Private Sector, Development Partners and Technical Assistance ready by OPM (July 2006) and workshop with key ministries: July 12, 2006.

- ❑ Presentation to Ministries (technical level): August 2006
- ❑ Deliberations at the level of the Permanent Secretaries (OPM coordinates): August 2006
- ❑ Final adjustments of the work-plan: August 2006

B. Implementation Phase: September – December 2006

- ❑ Review of the status of sector reviews: September 2006
- ❑ Establishment of the pillar review process and the links to the sectors and other stakeholders, agreement on working modalities etc. and roll out of the review work to all five pillars: September - October 2006.

Milestone: Drivers, indicators and gaps between sectors and key results for all pillars defined: September 2006.

- ❑ Current reviews of the progress, work and preparation in the pillars: September - November 2006.
- ❑ Final preparatory work for the APIR: October 2006.

Milestone: Format and contents of APIR, roles and responsibilities and date agreed by all stakeholders: October 2006

- ❑ Pillar review reports based on sector reviews available: November 2006.
- ❑ Draft APIR review report: mid- November 2006.

Milestone: APIR- conference: First week of December 2006.

C. Funding and Follow-up Phase: January – March 2007

- ❑ Reporting on the APIR: January 2007.
- ❑ Revision of the PEAP Results and Policy Matrix: January 2007.
- ❑ GoU – Development Partner – funding agreements and funding mechanism: January-February 2007.

Milestone: Prime Minister reports to the Cabinet and the Parliament on the results from the APIR: March 2007

The tables below provide an overview of the timing of the APIR (5.2), the linkages to other core activities (5.3) and the four years cycle.

5.2 APIR – Overall Time-Plan

Activities	1. Formulation and Preparation Phase				2. Implementation Phase				3. Follow up Phase			
	May	June	July	August	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April
Technical work on design of the review												
Milestone: Submission of the Working Plan to the Sector working groups /MDAs and other stakeholders												
Submission to ministries at technical level												
Permanent Secretaries												
Final adjustment of work-plan												
Milestone: Official Launch of the Process												
Pilot of the review process in 2 pillars												
Review of the Sector Work												
Pillar Review process with links to sectors (five pillars)												
Milestone: Format and Content of APIR, roles and date communicated												
Final preparatory work for the APIR (including issues of draft reports)												
Milestone: APIR Event												
Follow-up /reporting												
Revised PEAP Results and Policy Matrix												
GoU-Development partner meeting-Funding												
Milestone: PM's report to Cabinet and Parliament												

5.3 APIR – Overall Time-Plan and Links to Other Activities

FY 2006/07 PEAP IMPLEMENTATION REVIEW CYCLE												
	JULI	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
Budget Cycle		Budget progress review – analysis of the budget realisation starts to fit into the Pillar work/ APIR		Budget Circular Follow- up review of budget progress to fit into to the APIR ⁸		First Draft Sector BFP	Budget Progress Reviews (budget against outturns)	PER ⁹	National BFP	Budget Progress Review (budget against outturns)	Draft MTEF	Back-ground to Budget Final MTEF Budget speech
Current reporting on sector progress	Quarterly Sector & District Reports			Quarterly Sector & District Reports			Quarterly Sector & District Reports			Quarterly Sector & District Reports		
Pillar/Sector Working Group Review and Local Government Performance Assessment		Development of a frame-work and methodology for a multi-sectoral LG Performance	Pillars + SWGs reviews	Sector and Pillar Review Reports (input to the APIR)	Final pillar reports				(SWGs reviews ¹³)	(Sector Review Reports ¹⁴)		

⁸ The APIR will encompass a review of the budget progress from the previous year.

⁹ Ideally the PER should be made in February each year to fit into the BFP. It is acknowledged that part of the data may only be available later on. So far, these reviews have been conducted in April/May, but this is too late to have a real impact on the budgeting process.

¹⁰ Linked to the ongoing LGDP performance assessment and integrated incentive framework

FY 2006/07 PEAP IMPLEMENTATION REVIEW CYCLE												
	JULI	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
		assessment ¹⁰		Pilot Multi-sectoral Performance Assessment of selected pilot LGs ¹¹ (second year – full roll out) JARD review ¹²								
Annual PEAP Reporting and Review Process					Annual PEAP Implementation Review		PEAP Results and Policy Matrix Revision		Annual Report to Cabinet & Parliament			
Donor Alignment and Harmonisation Process			Mapping donor financial and policy dialogue across PEAP Pillars Assessment of GOU and Donor performance against the Uganda Partnership Principles and the Paris Declaration	Reporting on donor and GOU performance on the principles This information will fit into the APIR.		Coordination part of the issues to be discussed at the APIR event UJAS review integrated with the APIR review Endorsement of the results from the donor reviews	Funding agreements and mechanism					
PRSC Process						PRSC Review integrated in						

¹² JARD: Joint Annual Review of Decentralisation to fit into the APIR.

¹³ This review will vary from sector to sector in terms of scope and timing as some of the sectors have quarterly or biannual reviews, others annual etc.

¹⁴ See note 5.

FY 2006/07 PEAP IMPLEMENTATION REVIEW CYCLE												
	JULI	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE
						the APIR Review						
Analytical work and studies	To be defined.											

5.4 The Four Year –Review Cycle

The PEAP III runs from 2004/05 to 2007/08. The table below shows the cycle.

PEAP IMPLEMENTATION REVIEW SCHEDULE								
PEAP 4-YEAR REVIEW CYCLE								
			2006/2007		2007/2008		2008/2009	
Annual PEAP Implementation Report			Annual PEAP Implementation Process and Report	Annual Policy Performance Report to Cabinet & Parliament	Annual PEAP Implementation Process and Report	Annual Report to Cabinet & Parliament	Annual Review of PEAP IV	Annual Report to Cabinet & Parliament
Evaluation of the entire PEAP III					Evaluation of the PEAP as part of the APIR	Part of the report above		
Preparation of the PEAP Four					Preparation of PEAP IV			
PEAP Revision						Evaluation of PEAP process and outcomes		
Donor alignment and Process			<ul style="list-style-type: none"> • Donor mapping • Assessment of GOU and Donor performance against the Uganda Partnership Principles and the Paris Declaration • Donor comparative advantage study and self assessment process • Donor peer review of the self assessment questionnaire • Final synthesis Report of Recommendations • Agreement of recommendation by Sector Working Groups • Agreement of recommendation by Sector working groups by GOU/Donor senior management 				<ul style="list-style-type: none"> • Annual donor alignment review 	
Statistics & Surveys¹⁵			Various surveys and reviews		Various surveys and reviews		Various surveys and reviews	

¹⁵ There is a need to review the timing of the National Household Survey, Poverty Studies, Service Delivery Surveys etc.