



Programme on Integrated Local Finances for Sustainable Urban Development in the Greater Kampala Metropolitan Area (PIFUD)

Contract No. CSO-L A/2019/408-978
END OF YEAR 2-NARRATIVE & FINANCIAL REPORT
November 13th, 2020 to November 12th, 2021



FUNDED BY



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List of acronyms

ADEME	The French Environmental and Energy Management Agency
AFD	French Agency for Development
CBI	Climate Bonds Initiative
CIP	Capital Investment Plan
EU	European Union
FMDV	Global Fund for Cities Development
GKMA	Greater Kampala Metropolitan Area
GLTN	Global Land Tool Network
HPD	High level policy dialogue
IFC	International Finance Corporation
IRAS	Integrated Revenue Management System
KCCA	Kampala Capital City Authority
LG	Local Government
PIFUD	Programme On Integrated Local Finances for Sustainable Urban Development
PSST	Permanent Secretary and Secretary to the Treasury
TADAT	Tax Administration Diagnostic Assessment Tool
TOR	Terms of Reference
UAAU	Urban Authorities Association of Uganda
UCLG	United Cities and Local Governments
ULGA	Uganda Local Government Association
UNCDF	United Nations Capital Development Fund
URA	Uganda Revenue Authority

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1. Description

1.1. Name of Coordinator for the grant contract:

Kampala Capital City Authority (KCCA)

1.2. Name and title of the contact person:

Edison Masereka, Manager Business Development and PPPs

1.3. Name of beneficiary(ies) and affiliated entity(ies) in the Action:

Kampala Capital City Authority (KCCA) and Municipalities in the Greater Kampala Metropolitan Area (GKMA) at political and technical levels. The Urban Authorities Association of Uganda (UAAU) and Uganda Local Government Associations (ULGA) will also be included in the overall results.

Specifically, for outputs 2.2: Nansana Municipal Council; Entebbe Municipal Council; Makindye Ssabagabo Municipal Council

The Municipal Councils of Nansana, Entebbe and Makindye Ssabagabo have been selected to receive support to implement the revenue-automated system; other GKMA municipalities and districts will benefit from the workshops and knowledge products.

1.4. Title of the Action:

Program on Integrated Local Finances for Sustainable Urban Development in the Greater Kampala Metropolitan Area (PIFUD)

1.5. Contract number:

C SO-L A/2019/408-978

1.6. Start date and end date of the reporting period:

13 November 2020 – 12 November 2021

1.7. Target country(ies) or region(s):

Uganda

1.8. Final beneficiaries &/or target groups¹ (if different) (including numbers of women and men):

The citizens are the final beneficiaries of the improved revenue automation system, the enhanced capacity of municipalities and KCCA to invest in green urban infrastructure. The pilot projects in electric mobility and solar powered grids in schools (such as the Mulago and Ntinda schools for the deaf, Sacred Heart Jinja Karoli, St. Agnes Primary School and St. Andrews Primary School) and communities involve the children, youth and women in the implementation as they create training and job opportunities and as final beneficiaries of the solar investment.

1.9. Country(ies) in which the activities take place (if different from 1.7):

Uganda mostly, study trips to other African cities and Europe (to be confirmed in regards of the COVID 19 restrictions)

¹“Target groups” are the groups/entities who will be directly positively affected by the project at the Project Purpose level, and “final beneficiaries” are those who will benefit from the project in the long term at the level of the society or sector at large.

2. Assessment of implementation of Action activities

Executive summary of the Action

Reminder of key information: the contract between KCCA and the European Union took effect on the 12th November 2019. KCCA and FMDV signed the joint implementation Memorandum of Understanding in January 2020 with immediate effect. Two pre-financing disbursements were received: the 1st was received in November 2019 and the 2nd disbursement in June 2021.

Similar to the 2019-2020 implementation period, 2020-2021 had to adapt to the new operating procedures of the COVID-19 pandemic. To stem out a worrying trend in the rise in Covid-19, the government declared a ban on non-essential travel between districts on 10th May 2021 for a period of 10 days. Prior to the expiry of this ban, the new restrictions were extended to remain in place for a period of 42 days effective 7th of June 2021. During this period, the programme adapted to the KCCA Human Resources directives providing for restrictions on physical presence in the offices on a rotational basis. PIFUD staff were also asked to provide additional support to KCCA mainstream team in terms of communication, Procurement and Treasury processes. During this period a procurement officer joined the team on a short term contract to support PIFUD as KCCA was under going a restructuring process and the recruitment process under Public Service Commission on average would take a period of 6 months. The program had over 15 procurements as per the procurement plan to complete and manage whose timely execution would be affected if we waited for this long. The Recruitment process was handled by the Directorate of Human Resource in consultation with the Procurement and Disposal Unit to enhance efficiency and effectiveness. More importantly, the PIFUD team mourns the loss of one of its architects and leader, Patrick Musoke, Deputy Director Strategy and Business Development at KCCA who lost his life to COVID – 19 in June 2021.

Following the *High-level policy dialogue on Financing Local Government Development Plans To Achieve The NDP III and Sustainable Development Goals* with participation of 7 Ministries Departments and Agencies (MDAs) held on the 24th and 25th of November 2020, many discussions and meetings were held with the objective of tackling the needed reforms. The Taskforce gathered and held a retreat from the 3rd to the 6th of May 2021 with the key objective of following up on the implementation of the signed aide-memoire, in particular commitment on harmonization of advocacy processes on financing local government's development plans and drafting proposed amendments to the laws & regulation as well as a cabinet paper.

In line with the support to revenue management systems, the program procured IT equipment including computers, printers and mobile gadgets for municipalities, as well as IRAS branded items to use in their revenue mobilization activities; implemented developments on the IRAS system to improve its functionalities and better serve the needs to the municipalities; initiated procurement of servers and storage boxes to enhance system efficiency and data security; provided capacity building training to municipality staff in the use of IRAS; and provided business support to system users whenever need arose. As a result of this intervention, the three GKMA Municipal Councils improved their taxpayer registrations to 77,666 up from 24,252 in the previous year (220% increase), and realized local revenue collections of UGX 10.2 Bn (approx. 2.6M EUR) up from UGX. 2.4 Bn UGX (approx. 611,000 EUR) collected over the same period in the previous year (292.3% increase).

In parallel, the first half of the year has been committed to streamlining the workplan's timeline and approach in order to ensure more coherent and practical activities and in coordination with the different programs ongoing in GKMA, resulting mainly in fast tracking the Capital Investment Plan (CIP) activities. Two consultancies were contracted in August 2021: one technical expert in charge of supporting the elaboration of the CIP and a consultant in charge of the organization of the institutional

strengthening activities. Two missions to Uganda in September 2021 and November 2021 were organized, with the main objective to present the process to all the main stakeholders and consult the municipalities in order to identify the priority sectors and kick off the works for the workshops. Those missions were key and allowed the team and the expert to fine tune the methodology proposed for both the CIP and the capacity building process to be more practical and based on the existing needs. In fact, the mission raised the need to support the GKMA's LGs in project preparation through technical assistance for project profiling and project preparation phase. This missing step is a prerequisite to develop a CIP.

Regarding the activities linked to capital markets access through green financing, in May 2021, KCCA recruited a consultant to review the accounting policies and procedures manual. This exercise is still ongoing and will be completed within the next six months in preparation for a formal credit rating for KCCA.

Furthermore, the PIFUD team organized multiple consultation meetings with the main stakeholders (KCCA, IFC, AfDB) to assess the risks and feasibility of a green bond issuance in Kampala. Those different consultation meetings resulted in multiple manifestations of interest from the international donors to re-frame and support the activity.

In regard to setting up of a Living Lab and testing small-scale low carbon emission technologies, the procurements for the renovation of the roof tops for the two schools under KCCA's jurisdiction (Mulago and Ntinda schools for the deaf) have been finalized together with the procurement for works for the installation of solar panels. The works have also been initiated. The designs for the installation of a charging station are also at their final stages of approval. The procured assets have also been maintained in KCCA storage (i.e. solar panels and batteries) or are currently in use (i.e. the 4 motorcycles in KCCA's fleet).

In parallel, FMDV with the support of ADEME (the French Environmental and Energy Management Agency), elaborated knowledge materials on the concept of living lab, with the aim of supporting an enabling environment for the preparation of innovative pilot projects in GKMA. In May 2021, FMDV held a workshop to present the guidebook on living labs. The workshop targeted KCCA's project managers, including the PIFUD team, and Makerere University's Urban Lab. The workshop highlighted the importance of the co-construction phase, and the possible roles of local governments. Following the workshop, the team elaborated terms of references for the feasibility study of the creation of a Living Lab in Kampala. This study will assess the design and implementation of the current pilot projects and determine the cost and modalities of setting up such a Living lab focusing on low carbon energy solutions to metropolitan challenges. The feasibility study is planned to be finalized at the beginning of Y3.

From the financial perspective, the PIFUD team worked together to harmonize the budget, in respect of the contract. A budget amendment was sent and approved by the European Union in September 2021 (see the financial report). Those financial changes are mainly due to unforeseen costs for the installation of the pilot projects, travel restrictions imposed because of the Covid-19 pandemic and the need for re-balancing budget lines for key activities to adapt the programme to changing needs on the ground.

The main challenges identified during year 2 of program implementation was the uncertainty created by the Covid -19 pandemic. In fact, as a city, Kampala Capital City (KCCA) has been severely hit by the pandemic, nonetheless the team is still working towards completing the remaining activities on this project within the available budget and time allocation. A critical review of the programme schedule will be done as after the Mid-term independent review to assess if a delay should be anticipated.

Results and Activities

A. RESULTS

Following a first year that was highly impacted by the COVID 19 pandemic, the 2nd year of implementation mainly focused on reassessing the workplan timeline and strategy, and finally recorded substantial positive progress in terms of engagement (contracts signed) and partnerships.

OUTPUT 1: STRENGTHENED ENABLING ENVIRONMENT FOR LOCAL FINANCE

Outcome 1 (Oc) "Policy, legal and regulatory framework for municipal finance is improved"

A first High level Policy Dialogue (HPD) was held on 24 and 25 of November 2020 attended by more than 100 participants. The original target (200) was adapted due to the COVID situation. A total of 75 participants were invited at the venue and other participants joined on-line. Despite planning efforts, gender parity was not achieved in the repartition of speakers. In the session brief, speakers were invited to highlight the impact of the policy dialogue on service delivery with specific emphasis on SDG 11 and SDG 16. The HPD report, prepared by ULGA *rapporteuring services*, captured the discussions and inspiring examples from both Uganda and international speakers. The event was aimed at presenting *recommendations for revised policy, legislation, and regulations to fill current gaps in the legal framework for municipal finance*.

In total 10 actionable commitments were presented in an aide-memoire and signed. Ownership and willingness to carry the recommendations required building consensus among stakeholders and identifying key champions. Despite the unusual set-up, in a hybrid format, stakeholder mobilization and engagement was successful, slightly over 50% of the original target. No outreach target was set for YouTube content, but a total has a total of 1.34k subscribers as at November 2021.

Figure 1: Panelists at the policy dialogue held on the 24th and 25th November 2020 at Mestil Hotel Kampala. This and more photographs can be viewed at www.kcca.go.ug/pifud.



A residential retreat was organized from the 3rd to 6th of May 2021 and both objectives of harmonizing the different on-going advocacy/policy reform processes and making additional recommendations to Cabinet on the topic of alternative financing mechanisms for local government development plans were achieved. In particular, coherent linkages were created with the ongoing reform processes on the Public Finance Management Act (PFMA), the Local Government Domestic Revenue Mobilization Strategy and different amendments to Section 20(1) and 20(2). Those were related to the capping modalities of Local Government borrowing (current rate 25% of LGs own-source revenue) and foster creation of trust by Local Governments. Furthermore, introducing section 18(1) Charging Policy in Schedule five were drafted. Follow-up activities are described in results 2 below.

To increase buy-in and political engagement, it was agreed that the high-level advocacy meetings would be co-organized by the PIFUD task force members during the inception period of both the new political and technical leadership. Unfortunately, delays have pushed the achievement of this objective to a future date, most probably linked to the 2nd High level Policy Dialogue which is planned in year 3 (2022). The High-level Policy Dialogue will build on the achievements of the first and focus more particularly on green and pooled financing instruments.

OUTPUT 2: UPSCALED LOCAL FINANCE TO FOSTER INNOVATION

Outcome 2.1 (Oc) "Capacities of KCCA and GKMA secondary cities own source revenue mobilization, are improved"

During this 2nd year, the program continued to support the three GKMA's municipalities of Nansana, Entebbe and Makindye-Ssabagabo to improve their capacity on own-source revenue mobilization through five main aspects; (i) Development, upgrade and deployment of new IRAS functionalities; (ii) Trainings for Municipal Staffs on usage of IRAS; (iii) Providing Tools to support municipalities in their revenue mobilization efforts; (iv) Supporting field enumeration of taxpayers; and (v) IRAS System technical backstopping.

A number of challenges affected the implementation of project activities under this component as well as realization of some results by the municipalities and these included; the COVID-19 related restrictions and the peak of the 2021 General Elections which affected field activities; restricted economic activity which affected taxpayers' capacity to pay their obligations; and limited internet connectivity in the municipalities to support wide usage of the revenue automation system among others. Despite these challenges, the following successes were registered.

- A total of 53,144 new taxpayers were registered using the online revenue system (IRAS) in Nansana, Entebbe and Makindye-Ssabagabo Municipalities during the current reporting period (Nov. 2020 – Nov. 2021), representing a 120% increase from the 24,252 new taxpayers registered using the system in the November 2019-November 2020 period.
- The amount of revenue collected using IRAS in Nansana, Entebbe and Makindye-Ssabagabo Municipalities during the current reporting period (Nov. 2020 – Nov. 2021) was UGX 10.2 billion (equivalent to approximately EUR 2.6M) representing a 318% increment from the previous period (Nov. 2019 – Nov. 2020)'s revenue collection performance when a total of UGX 2.45 billion (equivalent to approximately EUR 0.611M) was collected.

To mitigate risk of users not feeling empowered with the new system, the setting up of local IRAS Committees has been a crucial step to secure ownership of the system at the division and municipal levels, and increase feedback on the additional user support needed. The three pilot municipalities are also ambassadors of the new system and have been invited to contribute to the rolling-out phase of IRAS in other cities and districts of Uganda. Their story has also been captured as part of the visibility action. PIFUD partners have also supported efforts at the level of the Urban Development Partners Group to promote the good results of IRAS.

The preparation started for the organization of the workshop on Land Based Financing (LBF) with close collaboration of UN-Habitat/Global land Tool Network, which was held in Mid- November 2021. This workshop has been postponed a second time, originally set for September 2021, to make sure it synchronizes with the roadmap of the Capital Investment Plan and strategizing exercises with GKMA stakeholders. A high interest has been observed but could actually be understood as a misconception of Land Based Financing as “*another source of revenue collection*” based on fixed assets other than revenues from economic activities. This misconception was cleared during the workshop and participants left with a very clear understanding of LBF

Furthermore, a consultant was hired in August 2021 to support the organization of the workshop. A strong work dynamic was created between FMDV, the consultant and Global Land Tool Network (GLTN) from UN Habitat. GLTN’s representative and the expert joined the effort to support the design and animation of the workshop.

TADAT in partnership with UNCDF, URA and TADAT secretariat successfully trained over 100 GKMA entity staff in the Internationally recognized Tax Administration and Diagnostic Assessment tool. This helped assess the efficiency and effectiveness of current tax administration in the respective entities and sought to present workable action areas going forward.

Outcome 2.2 (Oc) "Capacities of KCCA and GKMA cities to access capital markets are improved"

The expected results of this outcome are planned for 2022 (year 3) through mainly increasing capacities regarding two financial instruments: Green Bond and Subnational Pooled Financing. KCCA submitted its application to be an implementing authority under the Green Climate Fund, in parallel of PIFUD activities.

Moreover, an early situational assessment report has been prepared in consultation with international financing facilities and ongoing technical assistance to KCCA. **The meetings highlighted the need to enlarge the scope of the green financing instruments, including green bonds** but not focusing only on it, to lower the risk. In fact, this conclusion came out in regards of:

- the uncertain political will and lack of regulatory environment for green bonds
- the low credit history and creditworthiness of KCCA
- the readiness of the local capital market

The risk assumption for this outcome must now factor in the economic and financial impact of COVID-19 in addition to the public perception of Uganda’s debt.

Moreover, the programme adopted a different roadmap to achieve the outcome, fast-tracking the Technical Assistance on the development of a Capital investment plan. Indeed, from the lender’s

perspective, the outcome is highly related to the progress of preparing a Capital Investment Plan (which will happen during year 3) including project summaries and an operationalized GKMA Economic Development Strategies.

In regard to the above, and with the support of other international partners (particularly the African Development Bank), **the team reframed the mission and is suggesting to launch a consultation to make an assessment of the debt and financial situation of KCCA, and an analysis of the relevant green instruments to be applied, including Green Bonds.**

Lastly, despite initial delays, the procurement for the review of the accounting manual and policies was finalized, and the documents were launched in July and August 2021 respectively. Out of the three phases, only phase one was delivered and the rest was delayed due to COVID 19. The final deliverable is estimated to be finalized by April 2022.

Furthermore, UNCDF with the support of the other co-pilots of PIFUD, prepared terms of reference to develop a national municipal pooled financing instrument. The Technical Assistance activity is described in the Agreement signed with KCCA (September 2021). It will benefit from the support of FMDV, including in the organization of a training workshop already planned under PIFUD and should be finalized by the first quarter or 2nd quarter of Year 3 (2022).

Outcome 2.3 (Oc) "To strengthen capacities for developing PPPs and attracting public and private investments"

The expected results for this specific outcome are planned for 2022 (year 3). In preparation of the training workshops, a working dynamic has been created with the PPP unit at the Ministry of Finance, Planning and Economic Development, and agreements were made on the training modalities on the existing guidelines and practical steps to build-up institutional capacities. The risk assumptions were not well defined, as GKMA projects were being updated and the PPP unit had only started facilitation of workshops with some district local governments.

FMDV hosted a Masters student from Sciences Po Paris, who produced their master thesis research on Municipal PPPs in Uganda. For the program, and with the support of the PIFUD local team, she produced 2 preparatory documents on re-assessment of the risk assumptions: the regulatory framework is not well understood by the municipal officers and, on the contrary, the PPP unit operational framework does not fit the reality of the district and municipal mandates.

The consultant recruited in August 2021 will support the PIFUD team in reaching the expected results (organization of workshops for 100 participants, identification of 3 projects to be developed under PPP) and design an institutional strengthening process that mitigates the risk in identifying projects that can be considered for a PPP arrangement.

OUTPUT 3: INCREASED INVESTMENTS FOR SAFE, AFFORDABLE, LOW-CARBON SERVICES AND INFRASTRUCTURE THROUGH ROBUST EFFICIENT SMART SOLUTIONS

Outcome 3.1 (Oc) "Metropolitan Investment tools are developed to guide GKMA cities in their choices"

A technical expert was contracted in August 2021 to design a Capital Investment Plan. Through the PIFUD, among others, KCCA staff has been highly involved in providing technical support to the Ministry of Kampala and Metropolitan Affairs in line with its commitment in the Integrated Development Strategy.

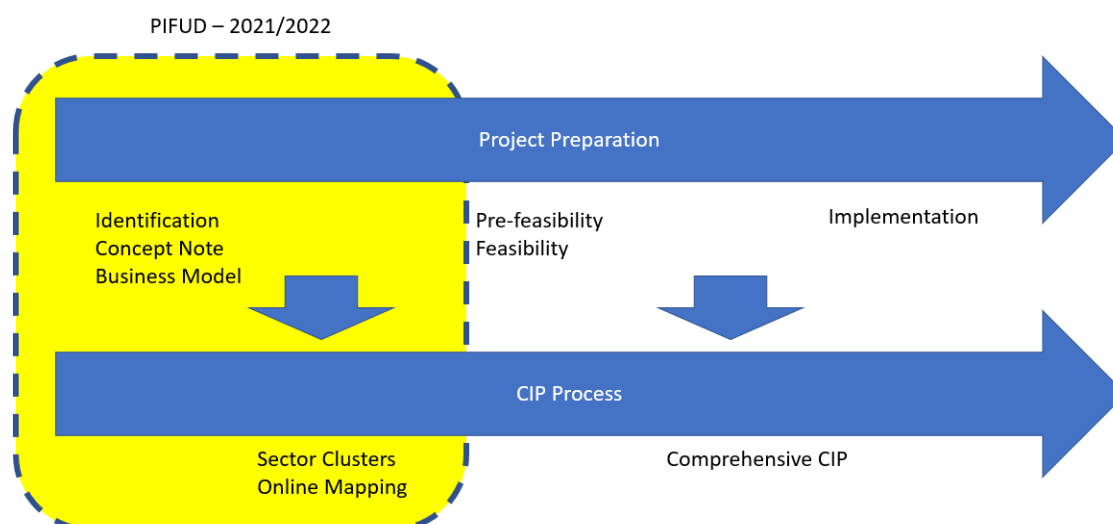
Given the current operational context, there are operational risks linked to the capacity of the GKMA secretariat to remain engaged, given the current institutional set-up. Furthermore, key gaps were identified during the mission in November 2021, regarding the readiness of the projects identified in the GKMA, and the capacity of the GKMA secretariat and the Local governments on project preparation.

Following the above observation, the expert and the PIFUD team proposed a new methodology based on the existing situation and the current needs of the local authorities that will aim at:

- Standardizing an approach to project development, regardless of the ultimate funding source with targeted technical assistance to each Local Government based on the FMDV's Coaching methodology (project profiling, business and financial models)
- Spatially map all projects under consideration across the GKMA, disaggregated by sector and by jurisdiction
- Ensure that workshops are designed to be reflective of knowledge gaps from key stakeholders across the GKMA's municipalities and districts while simultaneously helping to ensure the adoption of the standardized approach

This first work stream is a prerequisite to develop a coherent and sustainable CIP and will be the phase covered by PIFUD from November 2021 to June 2022, cf scheme below.

Figure 2: scheme 'proposed work stream'



Outcome 3.2 (Oc) "Cooperation with public and private stakeholders on financing local development is improved"

A European study tour for 15 GKMA leaders, and a matchmaking event will be organized between local governments and solution providers in 2022 (year 3) following the CIP endorsement.

Outcome 3.3 (Oc) "Pilot projects, Living Labs in Kampala and GKMA secondary cities on renewable energy are implemented"

This outcome refers to three pilot projects on renewable energy, namely: on e-mobility, solar panels in 4 schools and the installation of mini grids in two communities. The main assumptions were that the project sizing with the communities and the service providers on the one hand and, on the other hand, risks of delays were identified in terms of the institutional framework and the procurement processes. The mini grid pilot project, led by UNCDF, will start in year 3. The risks were confirmed for all three pilots.

- On e-mobility, the design and installation of the charging station as planned has been significantly delayed, confirming coordination challenges identified in KCCA's Integrated Development Strategy. This impact testing of the business model and the creation of three new jobs. The team has made an additional effort to drive the internal processes and have it completed by the end of year 2. The team also opted to monitor and evaluate the e-mobility test drive and the drivers' experience as they have been trained.
- On the solar panels, a total of five schools were selected: two in Kampala and one in each of the three municipalities where IRAS is already being rolled-out i.e. Entebbe, Makindye Ssabagabo and Nansana. The lessons were learnt from both the lengthy procurement process and the initial meetings on project sizing, suppliers' challenges and co-design the small-scale project with the schools. The assumption is that the asset is integrated in a wider strategy from the beneficiary bodies and increased involvement of the community through school bodies (i.e. clubs etc.). Delays were mainly due to the closing of the schools and the additional pressure of the KCCA PDA Unit following new staffing directives. PIFUD has proposed a mitigation action for future procurement in Year 3.

The living lab approach promoted by FMDV in the program is also a tool for better governance, including the collaboration with the whole ecosystem. As such, the design of the pilot projects builds on the strategies of the schools for better governance and incremental contribution to climate action embedded in infrastructural needs of the schools.

Lastly, the pilots stem from KCCA's Climate Action Plan and its ambitions to achieve low carbon emission in energy production and mobility. The setting-up of pilot actions targets incremental change towards gender equality and transformational change in the race to climate change adaptation and mitigation. The issue of children's rights has also been at the core of the discussion in one of the pilot projects which partly informed the selection of the pilot schools.

B. ACTIVITIES

During the 2nd year of implementation, the PIFUD team had to adapt to the new standard operating procedures brought about by the pandemic and the activities, despite some delays, were implemented.

Three steering committees were organized in March, May and September 2021. Due to evolution of COVID19 restrictions, the steering committee in March and May 2021 took a hybrid form, hosted physically at Makindye Ssabagabo and Entebbe Municipal Councils and the remainder were online. The meetings were the opportunity to gather the three municipalities' representatives and the key partners, and to hear their feedback on the programme's performance. As per the operational framework, monthly co-pilot meetings were held between KCCA and FMDV to coordinate the implementation.

Three travels were organized for the FMDV team based in Paris and for the consultants contracted to follow up on the activities. The first field visit was organized in May 2021 with the objectives of meeting all the key partners and stakeholders, evaluating the work progress and preparing the next activities. The second field visit was organized from the 27th of September to the 8th of October 2021 with the main objective of introducing the new contracted consultant and technical expert working on the development of a Metropolitan Capital Plan and capacity building activities, and assess the needs of municipalities. A final trip for the year was organized from the 15th to the 24th of November 2021, just at the end of the 2nd reporting period, with the objective of assessing the mid-term performance of the program with the different partners and support the organization of the Land Based finance workshop.

Strong partnerships were also developed with different key partners. First, with development partners who showed clear interest in the work developed under PIFUD especially around access to capital markets and green instruments. Secondly, a partnership was created with Makerere Urban Action Lab to support the living lab methodology and the project preparation tools.

Results 1: To improve the policy, legal and regulatory framework for municipal finance

Activity 1.1.1.1 Organization of two (2) high level policy dialogue workshops with central and local authorities and other appropriate partners on localizing finance to evaluate and adjust the enabling environment, and to secure long-term local finance for GKMA and more broadly for Uganda's local authorities.

Key highlights:

- Two-days Policy Dialogue were convened on 24 and 25 November 2020 by the Minister for Kampala and Metropolitan Affairs Hon. Betty Amongi, the Ministry of Local Government, Hon. Magyezi and Ms. Dorothy Kisaka the Executive Director of KCCA, under the umbrella of the 3rd Economic Mkutano, “*a meeting with purpose*”. The Policy Dialogue was designed to structure a meaningful solution-oriented discussion among stakeholders and key partners. The event was opened by Hon. Betty Amongi and a panel comprising of Ms. Pamela Mbabazi, Chair of the National Planning Authority (NPA), Ms. Catherine Adriaensen, Head of Cooperation at the European Union Delegation to Uganda, Mr. Dmitry Pozhidaev, UNCDF Head of Office in representation of Ms. Rosa Malango, UN Resident Coordinator.
- A total of 25 high-level panelists, including international speakers such as David Painter and Lars Andersson, both from FMDV - Development Finance Advisor respectively were invited to comment on creditworthiness strategies and Municipal financial intermediaries, and Ms. Khomotso Letsatsi, South African Local Government Association (SALGA), chief Officer: Municipal Finance, Fiscal Policy & Economic Growth.
- A task force was created by the MoLG to follow-up on the 10 actionable commitments. The taskforce is chaired by the acting Permanent Secretary, Director Local Government Inspection, MoLG, and the secretariat is under the guidance of the General Secretary of ULGA. Members include, the General Secretary UAAU, Local Government finance Commission Representative, KCCA Representative, FMDV representative, UNCDF Representative and a representative from Private Sector Foundation of Uganda, which was only nominated in May 2021. The PSFU representative was nominated in May but has not yet participated in the deliberations.
- The recommendations from the panel sessions were captured within a report and an Aide-memoire with 10 actionable commitments by National stakeholders. This document was signed by all the involved partners.
- The co-implementing partners and co-organizers also worked together to find a balance in perspective for both the policy dialogue and the advocacy between:
 - Government-led discussion as opposed to a multi-stakeholder discussion with voices of the private sector and CSOs. While civil society research production was well referenced in the discussion papers, it is important to note that CSO representation was limited to Local Government umbrella associations. The Uganda Debt Network was also invited but did not confirm attendance.

- Shedding a light on the diversity of contexts including Kampala, the metropolitan municipalities, the newly created cities and the urbanizing districts. Building on the diversity of speakers representing local government from different regions of the countries, the report showcases inspiring practices from the different realities of Uganda including, the Kalangala Island, Jinja and Gulu city, the Greater Masaka or Wakiso district.
- o Multiple issue papers were elaborated in order to feed the discussions during the Mukutano 2020, mainly on: the shrinking fiscal space of LGs and their reduced fiscal and financial autonomy, enhancing Local Revenue Management, low awareness about the existing legal and regulatory framework particularly on Public and Private Partnerships (PPPs) and Land Based Financed or, alternative financing for local governments.

Visibility

- The High-level policy dialogue can be viewed on-line at: <https://youtu.be/a3oyK3SohkY>
- Through the joint efforts of Economic Mukutano curation, and KCCA and UNCDF communication specialists, the High-level dialogue was also announced on several TV media channels and interviews were conducted during the two-day event.
- The PIFUD programme prepared a factsheet about the Policy dialogue (cf. annexes)

Activity 1.1.1.2 Draft recommendations for revised policy, legislation, and regulations to fill current gaps in the legal framework for municipal finance with a specific focus on green/pooled bonds for Uganda's local authorities.

Key highlights:

- o The ten recommendations were achieved and captured in the Dialogue Aide Memoir (cf Annex). The Minister for Local Government, in his closing remarks, provided clear guidance to proceed with the technical work and prepare a Policy brief to be presented to Cabinet by the end of 2020. This objective was not achieved, and technical work continued throughout the electoral period and composition of the new cabinet.
- o A Taskforce was created and is chaired by the Director of Local Government Inspection, Mr. John Genda Walala, acting Permanent Secretary of MoLG. Mr. Walala requested ULGA to be the secretariat of this taskforce, which is composed of the two local government associations, FMDV – as a sister organization of local Government-, the Local Government Finance Commission, a representative of the private sector, a representative of KCCA/PIFUD, a representative from UNCDF.
- o A follow up meeting was held by the Technical Committee in early December which laid ground for the implementation of the Aide Memoire. The meeting agreed to immediately come up with two critical documents for the Minister i.e. the Cabinet Policy draft memo and a compilation of proposed legal amendments that are crucial for unlocking the Local Government alternative funding options.

- A residential retreat was held from 3rd to 6th May 2021. The objective of the retreat was to provide a conducive working environment for the Technical Committee to effectively carry out its assignment in the shortest possible time and facilitate the building of consensus, ownership and approval for the two documents by all key policy advocates and decision makers in the LG Sector. A report was produced by the members.

- *Proposed amendments (summary below)*

Review Section 20(1) and 20(2) in Schedule Five of the Local Government Act to amend the capping modalities of LG borrowing (current rate 25% of LGs own-source revenue) and foster creation of trust by LGs. The proposal also builds on the knowledge of the World Observatory of Subnational Government Finance and Investment. This amendment constitutes a first step towards enabling LGs to access debt instruments and pooled financing mechanisms.

Introduce section 18(1) Charging Policy in Schedule five of the Local Government Act. This amendment addresses the issue of locally generated revenues being collected in an irregular way due to procedural gaps. The section should be further discussed in light of the compendium of legislative changes proposed by the Local Government Finance Commission (LGFC) in 2018 and the statutory changes at the level of the LC5 (Cities).

- *Harmonization of reforms and advocacy processes including:*

(i) Cabinet memo on reconciling the Public Finance Management Act with the Local Government Act, (ii) the presentation of Uganda's first Local Government Domestic Revenue Mobilization Strategy, (iii) combined efforts with the Ministry of Public Service to strengthen the Human Resources policies at Local Government level, particularly on revenue collection and IT units.

Represented by the Secretary General of ULGA, the Taskforce presented its main conclusions to the Urban Development Partners Group on 20th May 2021 for their information and support in preparation of future advocacy meetings. Clear synergies were identified between the work of the Taskforce and the Domestic Revenue Mobilization4Development.

- Cabinet Policy draft memo

An expert will be hired by the taskforce to finalize the Regulatory Impact Assessment and the Cabinet memo. The process is currently delayed. The PIFUD team supported the fast-tracking effort in producing 5 issue papers (mentioned below Activity 1.1.1.3))

Activity 1.1.1.3 Organize three high-level advocacy meetings with key decision makers to apply the recommendations (Ministry of Finance, Planning & Economic Development, Parliamentary oversight committees responsible for legal affairs, Cabinet, President).

Key highlight

- The Aide Memoire from the high-level policy dialogues held in November 2020 called for a series of awareness raising campaigns and additional advocacy.
- A series of advocacy meetings were expected to happen as part of the induction of new Members of Parliament and local leaders after they took office in June 2021. The meetings were to be scheduled as an effort to revive the Local Government Parliamentary Forum. There has been no progress on this since June 2021.
- The PIFUD team took advantage of the different bilateral meetings with LGs of the GKMA and development partners to highlight the findings of the HPD and to streamline advocacy efforts, including with USAID Domestic Revenue Mobilization for Development programme (DR4M).
- 5 issue papers were drafted and laid-out for dissemination

Result 2: Up scaled local finance to foster innovation***Result 2.1: Capacities of KCCA and GKMA secondary cities own source revenue mobilization is Improved***

Activity 2.1.1.1 Organize 1 peer learning training workshop to share and explore the solutions and conditions of success for increasing tax collection, based on the success of KCCA and other African Cities.

Key highlight

- A first peer-learning session was held in August 2020 and presented in the first narrative report. Participants requested further training days on the specific issue of ‘operationalizing’ the 5-year local revenue mobilization strategy with over 39 participants amongst the metropolitan entities.
- A second peer-learning session was organized on 16 November 2021, within the works linked to the development of the Capital Investment Plan and coordinated with the workshop on Land Based Financing *Activity 2.1.3.1. A total of 81 participants over 3 days attended the event. Important to note the participation of newly (re)-elected officials, including the vice- chairpersons (Mpigi, Wakiso and Mukono), Mayors (Entebbe, Nansana, Kira) for the 6 of 9 local governments of the Greater Kampala benefitting from the Action.*

Activity 2.1.1.2 Realization of 1 guidebook that will share practices from Uganda, Africa and other parts of the world to increase sustainably the revenue mobilization of local tax collection.

Key highlights:

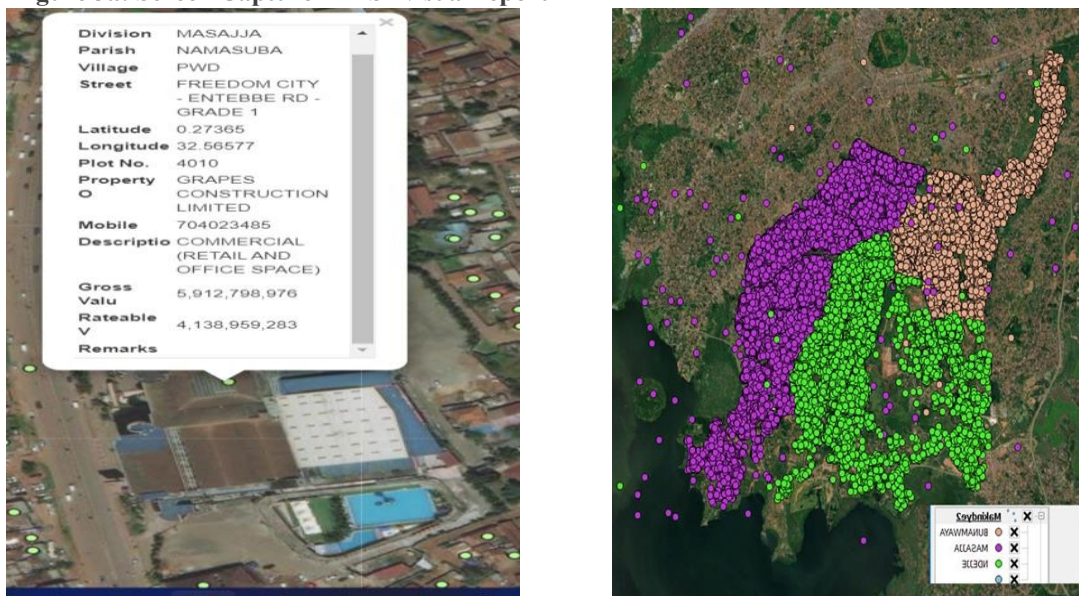
- In September 2021, the PIFUD team, with the support of the IRAS roll-out team, designed the terms of reference to elaborate the guidebook.
- The consultation for the guidebook is expected to be conducted in November 2021.
- It is expected to present the guidebook within the framework of 2022 Africities from 26 to 30 April 2022, in Kisumu.

Activity 2.1.2.1 support to the secondary cities to document, reengineer and automate their revenue management systems (implement the Integrated Local Revenue Administration System to 3 secondary cities in GKMA; Readiness Assessment, documentation of business processes, workflows and regulations, system improvement, testing and activation, procurement of hardware and establishment of centralized database).

Key highlights:

- During the year, support to GKMA secondary cities to document, reengineer and automate revenue management systems continued for the three municipalities: Nansana, Makindye Ssabagabo and Entebbe.
- During the first half of the year, several system designs and developments were carried out to improve on the functionalities of the revenue automation system, IRAS. These included the IRAS Mobile Application; integration of the Geographical Information System (GIS) and computer-aided property valuation; improvement of the taxpayer Ledger Management Process, the citizen's feedback system, the billing and assessment module, the Amendments process, the Dashboard statistical reports module, configuration of the tender fees revenue source, and the audit trail management process. Following the development of the IRAS mobile application, the revenue system can now be accessed through the web, on Point-of-sale gadgets and using mobile phones.

Figure 3a: Screen Capture IRAS “visual report”



Above: Using GIS to locate and generate taxpayer details, produce visual reports of revenue performance and conduct computer-aided property valuation. During this year, Makindye-Ssabagabo Municipal Council (MC) conducted valuation of properties within their area of jurisdiction applying the IRAS GIS and computer aided property valuation functionalities and was able to value 38,259 properties with a total rateable value of UGX 222,499,043,770 compared to the manual property valuation exercise of 2015 which had covered 8,144 properties with a total rateable value of UGX 70,229,887,828. Computer aided valuation integrated with GIS functionality is therefore expected to improve the MC's revenues from property tax given the huge improvement in the property rateable values.

The project supported the municipalities with IT equipment that included 08 printers, 18 computers, and 60 Point of Sale hand-held gadgets, as well as IRAS branded promotional items (165 T-shirts, 150 face masks, 72 umbrellas, 400 car stickers & 12 pull-up banners) to support in the execution of their own source revenue processes including sensitization, registration, billing, assessment, collection and reporting. The process of procuring the 03 servers and 02 storage boxes, to enhance the storage, protection, processing and retrieval of revenue collection data, is ongoing to be concluded in January, 2022 with installation of the same. This storage capacity shall guarantee 99% uptime of the IRAS system

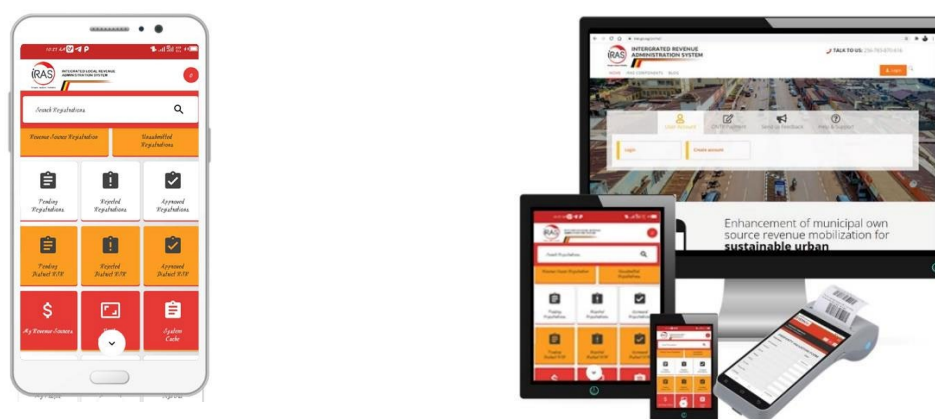
Figure 3b: IRAS gadget 1



On the Left: Sample of Point-of-sale hand-held gadget provided to the municipalities. The gadget is configured with the IRAS Mobile App, and aids revenue collection teams in field data collection and registration of taxpayers, real time issuance of registration acknowledgments, bills, and payment receipts, location of taxpayers, and authenticity verification of certificates, licenses and payment receipts during compliance monitoring activities.

- A total of 53,414 taxpayers were registered in the three municipal councils through the IRAS system during the current reporting period (November 2020 – November 2021) which corresponds to a 120% increase from the 24,252 taxpayers registered in the previous reporting period (November 2019-November 2020).
- Below is the Mobile phone used by the field revenue collectors to register, verify, approve taxpayers' registrations and also use it to attend to the queries raised by the taxpayers. While the computers are used in the offices by the division treasurers to monitor performance of the field revenue officers.

Figure 3c: IRAS gadget 2



- The challenges posed by the 2021 General Elections period and the Covid-19 government imposed restrictions of lockdown and community gatherings notwithstanding, the local revenue collections performance for the 3 municipal councils improved during the reporting period. A total of UGX 10.2 Bn (approx. 2.6M EUR) was collected using the IRAS from November 2020 to November 2021 compared to UGX. 2.4 Bn UGX (approx. 611,000 EUR) collected in the previous reporting period (Nov. 2019 – Nov. 2020) representing a 318% increment. A total of

53,144 new taxpayers were registered using the online revenue system (IRAS) in Nansana, Entebbe and Makindye-Ssabagabo Municipalities during the current reporting period (Nov. 2020 – Nov. 2021), representing a 120% increase from the 24,252 new taxpayers registered using the system in the November 2019-November 2020 period. This improvement has been achieved because during the year, all the Municipal Councils fully adopted the use of IRAS for their revenue administration processes and intensified their taxpayer registration activities to have as more eligible taxpayers on the revenue register as possible, while also utilizing the improved data management with IRAS to implement their local revenue collection strategies.

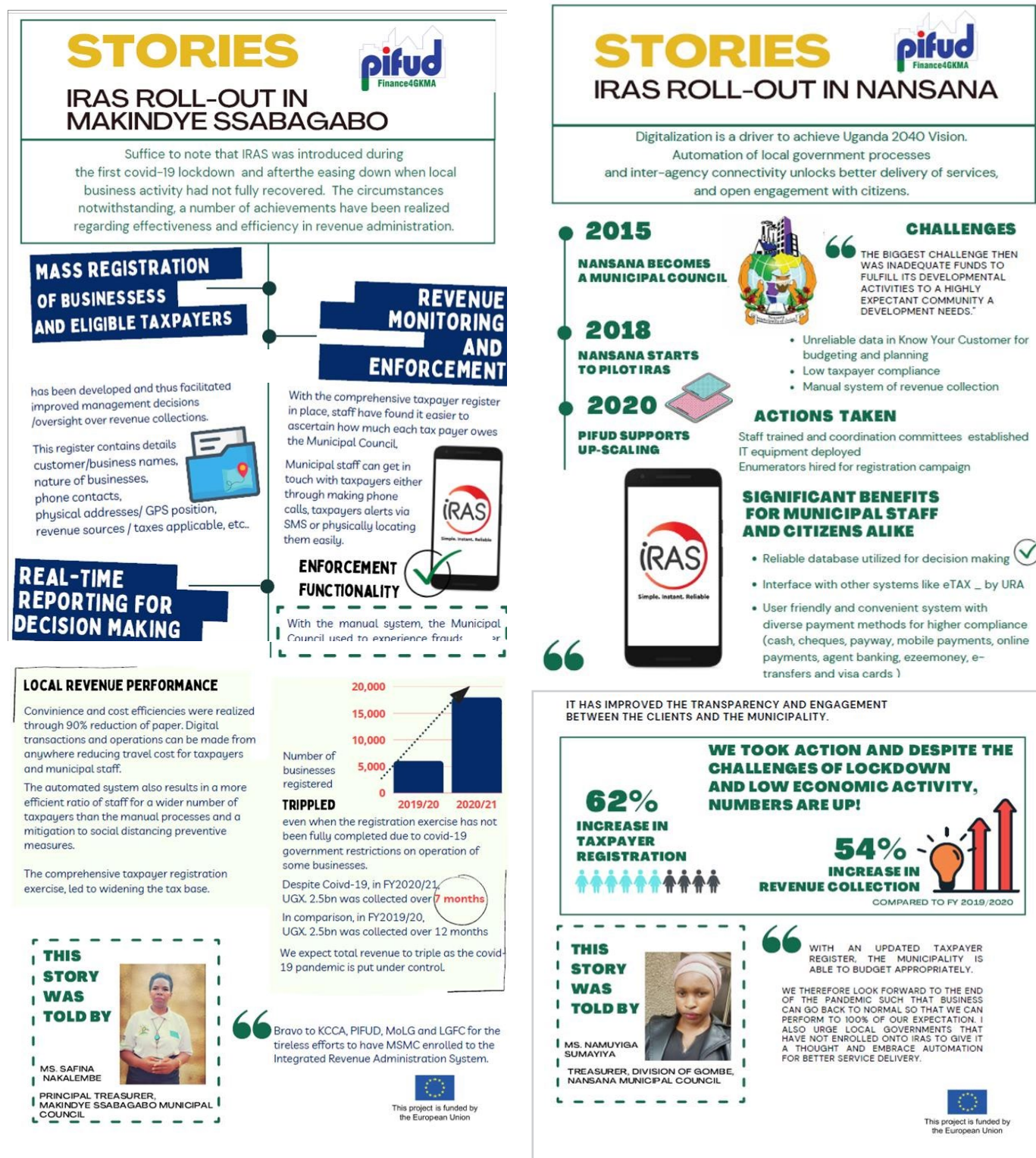
Table 1: Taxpayer Registration and Local Revenue Collection Performance using IRAS [Nov. 2020 – Nov. 2021]

Tax Head	Taxpayer Registration				Revenue Collected (UGX)			
	Makindye Ssabagabo	Nansana	Entebbe	TOTAL	Makindye Ssabagabo	Nansana	Entebbe	TOTAL
Trade License	13,940	19,109	1,749	34,798	708,785,500	1,352,868,500	452,594,500	2,514,248,500
Local Hotel Tax	71	102	69	242	118,224,805	20,250,000	82,930,000	221,404,805
Property Tax	785	3,457	579	4,821	958,359,597	1,496,977,070	670,517,928	3,125,854,595
Outdoor Advertising	130	413	206	749	22,218,500	84,143,500	19,771,000	126,133,000
Other Non-Tax Revenue	3,358	4,576	235	8,169	957,361,329	1,018,483,936	400,199,155	2,376,044,420
Local Service Tax	970	424	47	1,441	421,790,000	431,758,750	49,350,000	902,898,750
Market Rent	3	22	1,300	1,325	2,000,000	32,713,000	172,490,125	207,203,125
Operational Permits	906	190	455	1,551	336,189,860	88,786,000	200,066,250	625,042,110
Ground Rent	0	0	318	318	0	0	130,812,000	130,812,000
TOTAL	20,163	28,293	4,958	53,414	3,524,929,591	4,525,980,756	2,178,730,958	10,229,641,305

Source: Extracted from the IRAS database.

- The rollout of IRAS in the three GKMA secondary cities has led to establishment of the comprehensive taxpayer register, increased own source revenue performance, reduced the time and cost of doing business, and enhanced the taxpayers' awareness of their obligations in honoring the tax dues.

Figure 4: Testimonies of IRAS Roll-Out in Makindye Ssabagabo and Nansana Municipal Councils



Activity 2.1.3.1 Organization of 1 training workshop on “Land Based Financing”, developed together with UN-Habitat and the Global Land Tool Network on land management on the topic of how to finance urban development on the basis of land value increase, while improving land management, transparency and tenure security.

Activity 2.1.3.2 Realization of a 1 guidebook on Land Based Financing with UN-Habitat with guidance and recommendations to use land based financing mechanisms and illustration from existing practices.

Key highlights (*Activities 2.1.3.1&2*):

- It was originally planned that this activity be held in December 2020, however, due to delays in the organization of the Policy Dialogues and High-level advocacy meetings, as well as the perceived un-readiness of the stakeholders to engage in such discussions, the training has been postponed to the week of the 15th of November 2021.
- KCCA and FMDV started undertaking preliminary activities in order to organize this activity, such as the preparation of a policy brief on LBF and discussions with the taskforce.
- In September 2021, a consultant was contracted to support the PIFUD to organize and facilitate the organization of the workshops, with the aim of keeping a coherent and practical results in regards to the development of the Capital Investment Plan and other ongoing activities.
- The global objective of the workshop is to provide support to GKMA local governments in the design and implementation of revenue generation strategies. The expected outcomes are:
 - Engagement of stakeholders at national and sub-national levels to move forward on land reforms and LBF instruments.
 - Stronger assessment of the capacity development needs of GKMA sub-national governments towards revenue collection.
 - Identification of additional sources of funding to better link urban investments and revenue mobilization.
- Regular meetings were held between the Global Land Tool Network (UN-Habitat), the consultant, and the PIFUD team to design and prepare the organization of the workshop.
- A concept note was elaborated by FMDV to adapt the Land-Based Financing training to the GKMA municipalities and include the questions that emerged during the Policy Dialogue. The concept note was reviewed and validated by all the key stakeholders.
- The team, with the support of UN-Habitat and Cities Alliance, has designed a preparatory phase that involved higher efforts of awareness raising, as recommended during the HPD, to highlight the environmental and social impact of LBF and achieve a meaningful result for the end beneficiaries, the GKMA youth and women.
- Different preliminary meetings were held with 8 local governments between the 29th of September and the 6th of October 2021 during the consultant first field. Those meetings aimed at increasing the awareness and the involvement of Local Governments, and assessed their needs on the topic in order to prepare the first module whose goal as to increase the knowledge of GKMA municipalities on the opportunity of Land Based Finance in Greater Kampala Metropolitan Area.
- The workshop was held from the 15th to the 18th of November with the support of Global Land Tool Network. The 9 GKMA’s LG (planners, economic officers, mayors and town clerks) participated in the 3 days training. The workshop was opened by the Ministry of

Kampala and Metropolitan affairs and the technical staff of the Ministry were present for the 3 days, particularly the GKMA secretariat. A total of 81 participants over 3 days attended the event. Important to note the participation of newly (re)-elected officials, including the vice-chairpersons (Mpigi, Wakiso and Mukono), Mayors (Entebbe, Nansana, Kira) for the 6 of 9 local governments of the Greater Kampala benefitting from the Action.

Figure 5: Land Based Finance Workshop at Mestil Hotel- PIFUD – from 16th to 18th of November 2021



Result 2.2: Capacities of KCCA and GKMA cities to access capital markets are improved

Activity 2.2.1.1: Organization of a training workshop for KCCA and GKMA to improve creditworthiness to access the capital market. With experiences of Johannesburg

Activity 2.2.2.1: Technical assistance to KCCA for transaction advisory to finalize the issuance of the KCCA's Green Bond: administrative financial process and roadmap

Activity 2.2.3.1: A training workshop on Local Green Bond Issuance: based on GKMA contexts, technical, financial and legal conditions of success and experiences from other cities in Africa and the rest of the World (Johannesburg & Paris amongst others). Content provided by external experts (Climate Bond Initiative already agreed to contribute) and cities representatives.

Activity 2.2.3.2: Realization of a Guidebook introducing the overview, the modalities and condition of success to implement Local Green Bonds in Uganda, mixing a technical approach with illustration from concrete experiences in Africa and the rest of the World

Key highlights (Activities 2.2.2.1, 2.2.3.1 and 2.2.3.2):

- The main objective of the Green Bonds activities in PIFUD is to strengthen the capacities of GKMA secondary cities to access the capital market through debt instruments, particularly green bonds and pooled bonds. More specifically, the activities aim to:
 - i. Improve the capacities of KCCA and GKMA on Capital Market access and particularly Green Bonds through training activities, knowledge dissemination and technical assistance.
 - ii. Support KCCA in obtaining an improved credit rating and issuing a green bond.
- From May to September 2021, the PIFUD team held different preliminary consultations with local stakeholders and experts, and few conclusions **were drawn which confirmed the need to reframe the scope of the mission**. In fact, bond's guidelines at a national level are still being developed and no framework has been yet adopted:
 - KCCA and Ministry of Finance, Planning and Economic Development had worked together on a policy to launch a Infrastructure Bond
 - The Capital Markets Authority was expected to launch a public consultation on their zero draft of guidelines for Local Government bond issuance.
- Results also show that KCCA and GKMA municipalities at large are still in the process of improving their track record and annual performance on tax recovery - even though tremendous efforts have been made in the past years, including through IRAS and credit worthiness academy. **Debt management** is still the most urgent topic, **questioning KCCA's maturity for debt issuance**, while the risk to mislead investors without due diligence remains high.
- Based on these elements, the PIFUD started to reframe the mission to explore other opportunities for "green" financing solutions. **Bonds are thus considered an instrumental part of other possible solutions** to be explored to find the best fit to finance not only KCCA's climate strategy, but also GKMA's municipalities and beyond, in the short, medium and long term.
- Based on the above discussions, different development partners showed interest in supporting PIFUD to enlarge the scope of work, and support KCCA and GKMA into tapping into different sources of finance, to increase their finance of climate investment, particularly the **African Development Bank**.
- The three activities are expected to be delivered by the end of 2022 (year 3).

Activity 2.2.3.3: Strengthen financial management and Reporting systems for KCCA & GKMA secondary cities (cash management, grants management & reporting etc.)

Activity 2.2.3.4: Realization of updated accounting manual, financial management system and KCCA sub-national debt management strategy

Key updates (Activities 2.2.3.3 and 2.2.3.4):

- During the year, engagements have been held with both the Directorate of Strategy and Business Development and the Directorate of Treasury Services of KCCA. With input from both Directorates, Terms of Reference were developed to procure a consultant to undertake this activity. The procurement process was finalized in April 2021, with the selection of MS/KPMG.
- The scope of work covered the review of the existing accounting and financial procedures including a review of the policies and procedures, related to debt Management Policy & strategy/ Accounting Framework, assets Management Policy & Strategy (Roads, street-lights, signals, bridges, drainages etc.) and finally, accounting for Public Private Partnerships.
- The inception report was elaborated, however, the contract execution was affected by the second wave of Covid-19 where a number of staff in the Directorate of Treasury Services and other participating units in KCCA were affected. The contract, which was signed in April 2021 and was to run for a duration of 3 months, was allowed for an extension of an additional 6 months to allow for enough time to ably complete the contract deliverables which include:
 - Review and update the existing accounting & financial procedures; Debt Management Policy & strategy; Assets Management Policy & Strategy; Accounting for PPP.
 - Facilitate 2 validation workshops
 - 2 series of trainings with KCCA staff

The trained KCCA Staff will subsequently provide peer-to-peer training to GKMA Municipalities on the basis of the identified needs creditworthiness workshop.

Activity 2.2.3.5: Credit rating for KCCA for 3 years

This activity is planned to start in Year 3, after the finalization of the Activity 2.2.3.4.

Activity 2.2.3.6: A training workshop on Subnational Pooled Financing Mechanisms: technical, financial, and legal conditions of success to jointly access the capital markets and illustrate the content with practical case studies and experiences from other regions in the world.

- KCCA and FMDV supported UNCDF in drafting terms of reference for a technical assistance on designing a National Pooled Financing Mechanism tailored to the needs of local government (follow-up on the High-Level Policy Dialogue). The technical assistant will start at the beginning of 2022 and the PIFUD team will design a training workshop in 2022.

Key updates (Activities 2.2.3.5 and 2.2.3.6):

- These activities will be undertaken in 2022

Result 2.3: To strengthen capacities for developing PPPs and attracting public and private investments

Activity 2.3.1.1: Organization of 1 peer learning to share and explore the modalities and conditions of success of local PPP for KCCA and GKMA's secondary cities. The content will be brought by experts in that topic along with peer to peer learning from experiences from the cities of Paris and Johannesburg and other African cities.

Activity 2.3.1.2: Realization of 1 guidebook on conditions and modalities of building effective local PPPs that will share inspiring (good and bad) practices from Uganda, Africa and other parts of the world.

Activity 2.3.2.1: Preparation of 3 concrete PPP projects that will be developed under "Living Labs" Small size projects (e.g. public street lighting, renewable energy mini grids using school and markets roofs) to achieve commercial and financial close.

Activity 2.3.3.1: Organization of a peer learning workshop on attracting public and private investment at local level, to present and introduce existing modalities and mechanisms. It will bring practitioners and public and private investors along with other cities that have developed effective strategies and mechanisms to secure private investment for a sustainable urban development.

Activity 2.3.4.1: Realization of a guidebook and an on-line "one stop shop" for climate smart project preparation facilities developed by donors and a pipeline of climate smart capital investments addressed to Local Governments

Key updates (Activities 2.3.1.1, 2.3.1.2, 2.3.2.1, 2.3.3.1, 2.3.4.1):

- During the 2nd year of implementation, the PIFUD Team started a working dynamic with the PPPs unit and organized several meetings in order to coordinate and agree on the methodology and expected results. Four main deliverables were agreed to be achieved by June 2022:
 - a Policy Brief on Municipal PPPs in Uganda as compared to PPDA
 - a policy Recommendation to revise the PPP Guidelines for Local Governments
 - a training workshop on subnational PPP in Uganda.
 - a training workshop to identify 3 bankable projects in GKMA Economic Development Strategy and start the project preparation process.
- The main expected outcomes of these working session are:
 - the PPP Unit has identified the dilemma of "size" as the most important barrier for structuring a municipal PPP. A number of other challenges have however been identified, including the high cost and length of transactions regardless of the size of the PPP as compared to the operational and budget frameworks of the LGs.
 - Action learning from the inspiring modality designed by Wakiso Town, the Centenary bank and the market vendors associations.
- The consultant working on the organization of LBF, was also given the responsibility of the achievement of the organization and success of the PPP workshop. The main assumption is that local governments have projects that can pass the pre-feasibility phase on the one hand and that there is political and technical willingness to adapt the pre-feasibility template and general guidelines to the reality of the Local Governments. The consultant took the opportunity to meet with the PPP unit during the field trip organized between the 27th of September and the 6th of October.

Results 3: Enhanced investments for safe, affordable, smart and low-carbon services and infrastructure through robust efficient smart solutions

Result 3.1: Metropolitan Investment tools are developed to guide GKMA cities in their choices

Activity 3.1.1.1: Realization of 1 guidebook on conditions and modalities of building integrated investment plans at regional and metropolitan levels

Activity 3.1.1.2: Design of a metropolitan investment plan: organization of a collaborative workshop on methodology, guidance to and modalities to design investment plans at metropolitan level and share experiences with other metropolitan areas. The workshop will lead to consultative meetings and the formulation of a metropolitan investment plan

Activity 3.1.1.3: Approval process of the metropolitan investment plan

Activity 3.1.2.1: Realization of an online tool for capital investment planning & project preparation and management based on the KCCA CIP model and accessible to GKMA

Key updates:

- PIFUD identified the Metropolitan Capital Investment Plan (CIP) as a dynamic tool to link the National Development Programming and the Metropolitan Strategic Vision and to allow the jurisdictions to increase their prioritization capacities through identification of funding requirements and opportunities over a scheduled timeline, as well as future costs and revenues that can be captured from it.
- From March to May 2021, the team designed and published the terms of reference through an international competitive method. Inception meetings were held in July 2021 led by FMDV, and the selected candidates were validated in collaboration with KCCA. As a result, two contracts were signed in August 2021: One senior technical expert was contracted with the main objective to support the “design of a metropolitan capital investment plan (CIP) to reach approbation” by June 2022, and one consultant coordinator to support of the organization of capacity building activities linked to leveraging alternative financing. The technical expert, Jeremy Gorelick, has twenty years of experience in structuring transactions for infrastructure, with a focus on climate-smart urban investment. Flora Geley, the consultant, is a freelance consultant with expertise in institutional strengthening, urban development, and local governance. She offers over 12 years’ experience in multilateral and bilateral development cooperation and worked both at policy and programme management levels.
- The inception phase held in August 2021, and the November 2021’s mission, allowed the technical expert to hold multiple consultations meetings with local authorities (NPA, GKMA secretariat, KCCA) and development partners (mainly World Bank, ODI, CIG, UNCDF). Initially, the program designed a metropolitan multisector and multi jurisdiction CIP. The discussion highlighted the fact that the projects listed in the GKMA urban development program are not yet ready to be fit into a Capital Investment Plan and a critical gap was identified on project preparation.

The technical expert proposed a new methodology allowing first to increase capacities of LG's in project preparation while creating the proper governance for a sustainable metropolitan Capital Investment Plan :

- a pre-CIP phase: including targeted support for LG on standardization of project preparation development based on FMDV's coaching methodology (November 2021 - June 2022). A match making event will be organized by August/September 2022 to identify funding opportunities.
 - a 2nd phase (that will need additional budget and timeline) including the development of a sectorial Capital Investment tool at the metropolitan scale.
- o More specifically, it is now expected from November 2021 to June 2022 to have: support for project profiling, detailing project proposals for investors, increase capacities on financial and business models, and finally the development of an online mapping of the metropolitan projects.
 - o Following this targeted technical support, it is expected from the PIFUD team to organize a match making event to gather financial institutions and private sector, and the LG's to identify funding opportunities.
 - o In regards of the 2nd phase, the PIFUD team will develop a detailed concept note, including a budget and a timeline for the whole process to identify the need for additional funds to cover the whole process. This strategic concept note will be presented to the Delegation of the European Union in Kampala first semester of 2022.

Result 3.2: Cooperation with public and private stakeholders on financing local development is improved

Activity 3.2.1.1: GKMA's and private solutions providers on urban priorities such as energy efficiency, water management, sanitation, waste, transport, public lighting and urban infrastructures. Those private solutions providers will be mobilized from Uganda, Africa and Europe.

Activity 3.2.2.1: Organization of a study tour in Europe to meet with cities and technology providers, visit cities with innovative projects that have been developed with private technology providers from at least 2 countries: France and Germany, Brussels or Spain.

Key updates:

All activities pertaining to Result 3.2 have been scheduled to commence in year 4 (2023).

Result 3.3: Pilot projects, Living Labs in Kampala and GKMA secondary cities on renewable energy, and urban regeneration for selected neighborhoods are implemented

With the support of the French Agency for ecological transition (ADEME), FMDV produced:

- An operational guidebook on Living Labs, highlighting the different roles that local governments can play and a presentation workshop with the KCCA staff and the Urban Action Lab of Makerere University. The workshop confirmed KCCA's appetite to support technological innovation to solve its metropolitan challenges and previous experiences in working with local communities and private operators.
- A feasibility study for the creation of a living lab on low carbon energy solution in Kampala has been procured. The results are expected to be delivered by the end of December 2021.

Activity 3.3.1.1: Implement pilot projects in KCCA and GKMA secondary cities on solar PV for 4 schools: the Kampala school for the physically handicapped & 3 other primary schools in KCCA & GKMA.

With net metering including removal and disposal of asbestos sheets and working with the Ministry of Energy and Mineral Development to develop an issues paper to inform the policy on net metering.

Solar panels in 4 schools - As per discussion with the European Union, the implementation of a pilot project in Kampala has been fast tracked, from year 4 to year 1. The pilot project on the installation of solar panels in schools to retrofit energy consumption, reduce cost of energy and improve the schools cash flow has commenced.

Key updates:

Implementing solar Panels in KCCA's 2 schools:

- Building on a series of first engagements in year 1, the Terms of reference were co-written with the beneficiaries, the Local Councilor 1 and representatives from the development partners and service providers. The bills of quantities were also developed with the two first beneficiary schools i.e. Uganda School for the Deaf and Mulago School for the Deaf. These activities were supported by staff from KCCA Procurement and Engineering services. The Bills of quantities and the general methodology was approved by the KCCA Director of Engineering and Technical services on 25th/03/2021. The call for solar service providers was advertised on 21st/04/2021 in the New Vision newspaper on page 29. The bidding process was closed on 19th May 2021.
- A total of twenty companies applied for the bids and the evaluation committee was approved by the Contracts Committee on 25th May 2021. The evaluation methodology used was a technical compliance evaluation method. The evaluation was concluded on 26th of August 2021, and the final evaluation report was submitted to the Contracts Committee on 28th of August 2021. The evaluation process was affected by the presidential guidelines issued on 06th/06/2021 for the second lockdown, leading to a 2-month delay of the process. The contract between KCCA and

the contractor M/S Bernoulli Engineering Services Ltd was signed on 1st November 2021 for solar installation at Mulago School for the deaf. The contract for the supply and installation of solar PVs for Ntinda School for the deaf was cleared by the solicitor general and just awaiting signing between KCCA and the contractor M/S Bernoulli Engineering Services Ltd.

- During the early consultation, the Programme adapted its intervention from removing asbestos to planning a renovation of the infrastructure in the administration block for the two KCCA schools. Site inspection and development of the bills of quantities for both schools was concluded on 20th/05/2021 and the procurement was raised on 31st/05/2021. The contract between KCCA and M/S Texas was signed on 29th September 2021 and works commenced on 8th November 2021 for Mulago School for the Deaf. Renovation of the administration block for Ntinda School for the Deaf was signed on the 11th November between KCCA and M/S Omega Uganda Limited and works have commenced.

Figure 6: Mulago school for the deaf before renovation



Figure 7: On-going renovation works for Mulago School for the deaf.

- Selection of the GKMA schools: On 23rd February 2021, the process of selecting the beneficiary schools from the three GKMA beneficiary municipalities i.e. Nansana, Entebbe and Makindye Ssabagabo started with written nomination letters to the Town Clerks and Education Officers of each municipality to select one school to host the pilot project based on a set of pre-selection criteria. The Selection Criteria was the following:
 - Government aided status,
 - The support should benefit vulnerable students (e.g. with a disability, orphans, children coming from low income families etc.),
 - The support will target specific blocks of the school,
 - The total energy needs catered for by the PIFUD cannot be higher than 125kWh/day,
 - The school should be mixed preferably with 50% of girls enrolled,
 - The school should have a sustainability plan (no older than 2015),
 - The school should have enough security to protect the installed equipment, have a section of boarding.
- Three schools were nominated by the three beneficiary municipalities and these included the following; Makindye Ssabagabo: Ndejje Catholic School- also known as St. Andrews Primary School, Entebbe: Saint Agnes Day and Boarding Primary School and Nansana: Sacred Heart Jinja Karoli Primary School. The schools seem to have the same energy challenges and these include: increasing number of pupils, unstable electricity leading to unfit learning environments, in addition to the high-cost of energy bills (including purchasing charcoal and firewood for cooking and heating). All schools had climate action activities.
- In March 2021, inception meetings with the town clerk, municipality education officers and school management of the three nominated schools were held to discuss the Living Lab methodology and the benefits of the intervention. This was followed by the pre-feasibility

assessment meetings and co-writing of concept notes. In consideration of the status of the pandemic (COVID-19), the team opted for online engagement meetings with the nominated GKMA schools. During the co-writing engagements, the priority needs of the schools and the children were identified, with a first screening of revenue generating potential and achieving incremental change for gender equality.

- Energy audits for the three GKMA schools was conducted in October 2021 and an engagement with the different solar service providers, Division Education officers, Division engineers to pave way for the procurement process.

Activity 3.3.1.2: Implement a pilot of 4 electric motorcycles plus a solar powered charging station in the KCCA fleet working with local innovation start-ups to test technology adoption, train local youth on the new technology and business model and promote uptake among the motor taxi (boda boda) operators.

Key updates:

- Following the handover of the electric Motorcycles to KCCA's Directorate of Administration in August 2020, the electric motorcycles were deployed to serve the purposes of: Rapid accident response, Vector control services, Coordination of primary health activities and Courier services. As of June 2021, a monitoring exercise was conducted on the users of the motorcycles to gauge user experience and identify areas to improve the riders' adoption of the new technology. The main key findings were:

Positive feedbacks:

- **Charging station features and Rider's experience;** The riders are so far satisfied with the time spent to swap a battery at a charging station
- **Training on the use of the e-bike.** The riders were fully trained on the use of the bike and found the content useful.
- **User safety while operating the e-bike.** The riders also feel safe while riding the bike as the hoot is loud enough.
- **Proneness to theft and vandalism.** None of the riders feared for the safety of the motorcycle because it has a tracking device, a very loud alarm system, and people do not know much about the bikes and the batteries
- **Efficiency in execution of duties;** The riders also applauded the bike in execution of their duties as they can now do much more than they were previously doing, by covering more kilometres in the day.
- **Referrals on accessing e-bikes;** They also made mention of constant questions from the public on where to access the e – bikes as they are very much interested

Need for improvement:

- **Technical glitches/ mechanical issues / failures;** The riders decried technical issues mostly with: i) the batteries and charging indicators: sometimes they lose energy totally even when the battery display shows it still has power. (Black outs at 37%, 20%) ii) the dashboard blacks out when encountering the rain, which leaves most of them stranded.

- **Instability on the road:** The riders also raised a concern of the bike being unstable. This is experienced many times when carrying heavy loads.
 - **Bike features and Rider's experience;** Generally, the riders are satisfied with the weight, size and ease of use of the bike. However, they raised a concern on the footrests over stretch hence making it hard to navigate in congested places.
 - **Charging station features and Rider's experience;** It has been noted that sometimes there are no batteries available for swapping at some stations.
 - **Training on the use of the e-bike.** The riders were trained only on operating of the bike and have no way of repairing the bike in case it experiences a minor technical problem (a case in point if ahead lamp goes off in the night)
 - **Battery efficiency and reliability.** According to the riders, the battery indeed covers at least 50km when fully charged but has never covered more than 60km, except for a few instances when the battery abruptly goes off.
 - **User safety while operating the e-bike.** The riders made mention that the handles of the bike are a bit lower than a conventional bike, reducing safety (and increasing back pain)
 - **Distance between charging station:** Sometimes the riders experienced the need to push the bike manually as there was no nearby charging station to swap the battery.
- Based on the user feedback, KCCA and Zembo Limited were able to repair the batteries blacking out with a display of power still on: this was due to a software issue. KCCA also submitted recommendations and the team came up with 4 main action points:
 - There is a need for scale-up and deployment of a metropolitan network of charging stations
 - Suggestion to modify the design of the e-bike to include new features such as foot rests to improve navigability and comfort for the riders
 - Call for improving the battery inspections/maintenance operations by increased training of riders and swappers on basic repairs in case they encounter mechanical faults in execution of their duties.
 - To date, the installation of the charging station on KCCA Lubaga Division premises has been delayed. As a result, Zembo Ltd has delivered a greater percentage of what is required for them and supported the operations of KCCA riders, as a commercial deal was struck for the 2 first years of operations. KCCA on the other hand led a number of engagements to solve internal processes to provide the space and operational infrastructure matching the requirements of the different parties. These technical requirements were not fully captured in the inception phase of the project, partly due to a lack of pre-feasibility studies and co-design of the concept with the operational parties.
 - This knowledge has been captured along the way to feed into an upcoming workshop (mid-term) as per the Living Lab methodology.

Charging station design

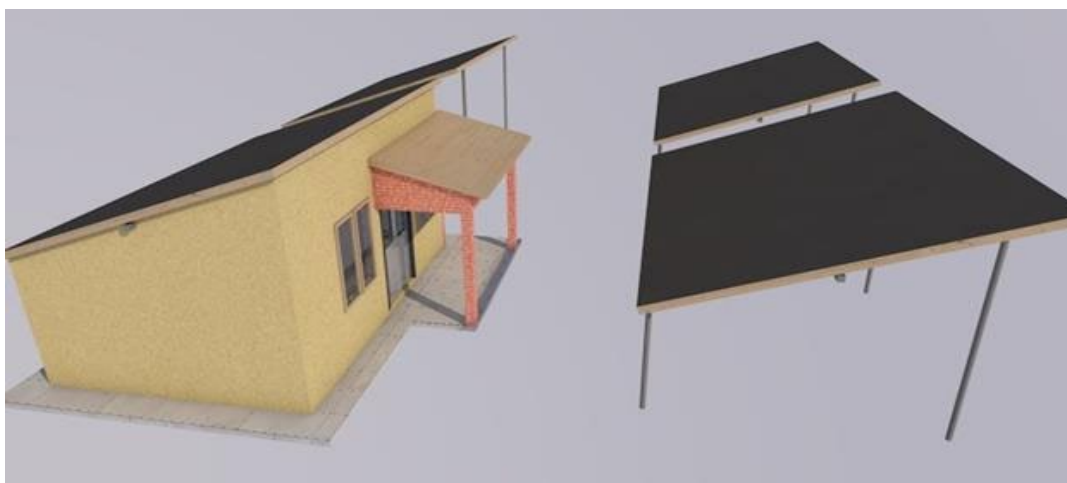
- The space requirements: the site identified follows a land use plan and the Physical Planning team disapproved the initial planned design of setting up a fabricated container to serve as office space and battery store. This is because KCCA abolished the establishment of containers in the city as they create clutter.

Figure 8: KCCA- Initial proposed container design to serve as charging station



- Another challenge is the technical requirement that the overall panel mounting structure must be able to hold a total area of solar panels of 60sq.m on one plane. Each solar panel's area is 1.956m X 0.992m (LxW). The thickness of each panel is 0.035m. Following the guidance from the Directorate of Physical Planning, modifications to the design have been undertaken to put up a temporary structure that can be movable in the event that the land use of the identified site changes.

Figure 9: KCCA Architect. New design of the charging station



- To date, draft designs have been developed, submitted and await approval from the Physical Planning Committee at KCCA.
- In a bid to mitigate the low performance of equipment already delivered and in KCCA's custody (especially the lead acid batteries), the engineering team has dedicated charging points and constantly monitors their performance to ensure that they do not malfunction.
- As much as the installation of the charging station is long overdue, efforts are underway to have it installed at the earliest.

Living Labs:

- Furthermore, with the support of the French Agency for ecological transition (ADEME), FMDV produced:
 - An operational guidebook on Living Labs, highlighting the different roles that local governments can play and a presentation workshop with the KCCA staff and the Urban Action Lab of Makerere University. The workshop revealed KCCA's appetite to support technological innovation to solve its metropolitan challenges, but also the barriers to implementing a Living Lab methodology due to the lack of internal capacity. To address this challenge, a feasibility study was launched in order to find the best suited methodology and governance for such a methodology to be implemented with Makerere University in partnership with UNCDF and targeted municipalities, with the end goal of integrating this methodology for the current pilot projects' maintenance (e.g. through the building a viable economic models) and future pilot projects through small PPPs
 - Terms of reference for a feasibility study for the creation of a living lab on low carbon energy solution in Kampala is currently being prepared with the support of UNCDF. The results are expected to be delivered by the end of December 2021.

Activity 3.3.1.2

Design and construct 2 community Solar mini- grids of 50KWp each in GKMA and fine tune the sustainable business model and technical modalities

Key updates:

This activity has been scheduled to commence in year 3 (2022).

Updated Log frame Matrix²

Please see the updated Log Frame

Following the ROM monitoring, the PIFUD team is requesting for additional support for the update of the Log frame through an external SDL.

² The matrix was not updated, it will be updated for the final version in November 2021

Table 2 Program intervention Logic

Impact	Results Chain	Indicator	Baseline	Target	Current Value (2021)	Source and Means of Verification	Assumptions
	To promote an integrated urban development of Greater Kampala Metropolitan Area (GKMA) through multi-level governance and peer to peer cooperation to contribute to SDG 11 on sustainable urban development as well as SDGs' 9 and 13	Level of satisfaction of citizens, including youth, women and persons with disabilities that have access to affordable, safe and climate friendly services and infrastructures in the districts targeted by the Action. (Entebbe, Nansana and Makindye sabagabo- satisfaction with IRAS)	The Customer Satisfaction survey KCCA commissioned in 2018 under the KIIDP II project rated the KCCA service delivery at 60.4%	<i>Customer Satisfaction rating of 85% in 2024</i>	Same as baseline value A citizen's satisfaction survey is currently being undertaken. Results will be captured when they will be communicated in Q1 2022.	<i>Customer and Stakeholder Satisfaction Survey report 2018</i> <i>KCCA Corporate Scorecard 2020/21 – 2024/25</i> Other surveys at the level of the districts targeted by the Action	Not applicable

To develop an integrated approach on finances for sustainable urban development	Measurable changes in the multilevel dialogue between central and local authorities and in multi-stakeholders' dialogue with the ecosystem of partners of local finance	1 policy dialogue held in 2017 on the role of local/city governments in the economic development of the GKMA KCCA and the Ministry of Kampala and Metropolitan Affairs were among the beneficiaries of the Non-Lending Technical Assistance (NLTA) project on the Economic Performance of African Cities financed by the World Bank. The Study examined the state and capacities of the GKMA local governments to support the economic development of the region through the enhancement of firm growth and competitiveness. The study also provided recommendations for local governments, central governments and private	2 Policy Dialogue 3 High-level Advocacy meetings (2020);	2 Policy Dialogues (2021) 1 (2021) (with KCCA Senior Management)	Reports of the meetings	Engagements and supports of central authorities
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Demonstrated capacities in organizing the technical and financial conditions of success for smart and integrated local services and infrastructures	One living lab on Vermicomposting implemented by KCCA in 2018	3 living labs implemented by GKMA cities (2023)	<i>Initial phase of pilots actions are under way (2021)</i>	Project reports Project completion certificates	Engagement of beneficiaries for ownership
	Measurable changes peer learning and city to city cooperation on Municipal Finance	1 meeting through FMDV and participation to the Community of Practice on finance with Paris and Johannesburg (2018)	150 days of cooperation in Kampala by Paris and Johannesburg	Report of the missions and activities	Political engagements of Pairs and Johannesburg
			Participation of Johannesburg in Policy Dialogue and an online participation during the Land Bases Finance workshop in November 2021		
			Gulu and Kampala in UCLG Live learning experience on Municipal Finance beyond the Covid-19 outbreak		

Table 3 Component 1 Intervention Logic

Output 1 Strengthened enabling environment for local finance						
Result 1.1 Policy, legal and regulatory framework for municipal finance are improved						
1.1.1 The enabling environment for municipal finance in GKMA is improved through High Level Policy Dialogues. Proposals and guidance are delivered to central authorities to adjust the policy legislations and regulations	-	Number of High-Level Policy Dialogue workshops	1 policy dialogue held in 2017 on the role of local/ city governments in the economic development of the GKMA	2 (2021)	2 policy dialogue	Workshop reports; List of participants
	-	No of participants				
	-	No of ministries and agencies involved				
	-	No of policy and institutional reforms adopted		1 (2021)	1 aide-memoire signed (2021) – reformed are still to be adopted	
	-	Aide memoir/cabinet paper				
	-	Report of guidance and recommendations tools and guidelines		3 (2022)		
	-	Number of High-Level Advocacy meetings				

Table 4 Component 2 intervention logic

Impact	Results Chain	Indicator	Baseline	Target	Current Value	Source and Means of Verification	Assumptions
Output 2 Upscaled local finance to foster innovation							
Result 2.1 Capacities of KCCA and GKMA secondary cities own source revenue mobilization are Improved							
2.1.1 Knowledge and capacities of GKMA' to increase tax collections are improved through a training workshop. modified		Number of staff trained	0 (2018)	60 (2020)	2 training workshops conducted to-date. 1 peer-to-peer learning workshop conducted in August 2020 and attended by 39 officials from all the Action cities. (2020)	List of participants; Evaluation reports from participants	Engagement of participants
		% of trainees attaining at least 65% on an exit test				Evaluation reports from the trainers/trainees	
		Level of dissemination of the Handbook	0 (2018)	100 of GKMA received it (2020)	0 (2021) One general hand book on local finance and land based finance will be elaborated and disseminated in 2022	List and report of dissemination	Interest of recipients
2.1.2 Capacities of GKMA's to document, engineer and automate their revenue management systems are improved. Based on KCCA's experience		Secondary cities with integrated local revenue systems	KCCA has through the application of the e-citie system successfully automated their revenue collection.	3 (2022)	40% of IRAS Modules were implemented with A cumulative total of 54 700 taxpayers	Automated system; Web portal report	Municipality Officials and taxpayers buy into the automated system and cease use of manual systems.
		80% uptime					

<p>2.1.3 Knowledge and capacities of GKMA's implementing Land Based Financing partnerships are improved</p>	50% improvement in GKMA secondary cities' own source revenue	Through the KIIDP II project, KCCA has also been able to update the valuation roll for the City.		registered and 85 technical staff trained. UGX 10.2 Bn i.e. 120% (2021)		
	Number of Staff trained	0 (2019)	60 (2021)	81 participants (2021) including 30 females and 51 males. no exit test	Report of the workshop; List of participants Evaluation reports from the trainers/trainees	
	% of trainees attaining at least 65% on an exit test					
	Level of dissemination of the Handbook	0 (2018)	100% GKMA's local governments received it (2022)	0 (2020) 0 (2021) One report will be disseminated in January 2022	Report of dissemination; Guidebook	Interest of recipients
Result 2.2 Capacities of KCCA and GKMA cities to access capital markets are improved						
<p>2.2.1 Capacities of KCCA and GKMA are improved on Capital Market access and particularly Green Bonds through training activities, knowledge dissemination and technical assistance provided to KCCA on its Green Bond</p>	Technical, administrative and financial needs assessment to allow KCCA to issue its Green Bond	0 (2018)	1 assessment report and roadmap (2021)	0 (2020) 0 (2021)	Assessment and Roadmap reports	Political willingness
	Number of GKMA staff trained to the Green Bond introduction workshop	0 (2018)	60 (2021) 60 (2022)	0 (2020)	List of participants; Evaluation reports from the trainers/trainees	

2.2.2 KCCA's credit is rated and improved	% of trainees attaining at least 65% on an exit test		45 attaining 65% of the exist test	0 (2021)	List of participants; Evaluation of the training by the participant	interest of recipients
	Level of dissemination of the Guidebook	0 (2018)	100% (2022)	0 (2020) 0 (2021)	Rating reports	Political willingness
	Credit rating report	1 (2015)	3 (2022)	1 (2020)	Report of the workshop	Interest of recipients
	Credit rating improvement				List of participants	
	Number of staff trained	0 (2018)	100 (2022)	0 (2020) 0 (2021)	Evaluation reports from the trainees/trainees	
2.2.3 Knowledge and capacities of GKMA's and KCCA staff are improved on subnational pooled financing mechanisms through training workshop and a handbook. Based on experiences in Europe and South Africa and to explore opportunities of developing it at GKMA's level.	% of trainees attaining at least 65% on an exit test				List and report of dissemination	Interest of recipients
	Level of dissemination of the Handbook	0 (2018)	100% (2022)	0 (2020) 0(2021)		

Result 2.3 Result 2.2 Capacities of KCCA and GKMA cities to access capital markets are improved						
<p>2.3.1 Knowledge and capacities of developing local PPPs for KCCA and GKMA's secondary cities are improved through workshops, peer learnings and a handbook of inspiring practices</p> <p>2.3.2 Most promising local projects are technically and financially viable to be developed as "Living Labs" after benefiting from technical assistance to formulate the project, to select the appropriate solutions and organize the technical solutions</p> <p>2.3.3 Knowledge and capacities of attracting private and public investments for KCCA and GKMA secondary cities are improved through workshops, peer learnings and a handbook of inspiring practices</p> <p>2.3.4 Capacity of GKMA and KCCA in using the PPP and Project preparatory tools developed by Ministry of Finance</p>	Number of staff trained during the training	0 (2018)	100 (2022)	0 (2020) 0 (2021)	Report of the workshop; List of participants Evaluation reports from the trainers/trainees	
	% of trainees attaining at least 65% on an exit test					
	Number of Living Labs projects prepared	1 (2018)	3 (2022)	1 (2020) 1 (2021)	Technical reports of the projects preparation phase	Technical and political engagements
	Number of PPPs signed	0 (2020)	1 (2024)	0 (2021)		
	Number of staff trained	0 (2018)	100 (2023)	0 (2020) 0 (2021)	Report of the workshop; List of participants Evaluation reports from the trainers/trainees	Interest of recipients
	% of trainees attaining at least 65% on an exit test					
	% of trainees attaining at least 65% on an exit test	0 (2018)	100% of GKMA Local governments (2022)	0 (2020) 0 (2021)	Report of dissemination; Guidebook; Website report Evaluation reports from the trainers/trainees	Interest of recipients

Table 5 Component 3 intervention logic

Impact	Results Chain	Indicator	Baseline	Target	Current Value	Source and Means of Verification	Assumptions
Output 3 Metropolitan Investment tools are developed to guide GKMA cities in their choices							
Result 3.1 Increased investments for safe, affordable, Smart low-carbon services inter changed with 3							
	3.1.1 An Investment plan is designed, presented and endorsed by GKMA local governments	% of GKMA Local governments engaged into a collaborative workshop on modalities and guidance to develop an investment plan at metropolitan level	0 (2018)	100% (2022)	0 (2020) 0 (2021)	Report of the work-shop; List of participants	Political engagement
							Local Government & Metropolitan

	3.2.2 GKMA's cities have a better understanding of experiences developed by European Local Governments and of solutions proposed by technology providers through a study tour in Europe	Number of participants	0 (2018)	15 (2022)	0 (2020) 0 (2021)	List of participants	This activity is affected by COVID 19 restrictions
Result 3.3 Pilot projects, Living Labs in Kampala and GKMA secondary cities on renewable energy are implemented							
	3.3.1.1 An integrated solar energy delivery system is implemented with a private operator in pilot schools, approved by the users and the technical and financial sustainability is demonstrated with for scaling up.	Number of schools benefiting from the Action	0 (2018)	4 (2023)	4 schools 2021 (procurement still in progress)	Report of installation; Evaluation report of the project	Projects leaders were well prepared and materials delivered in time
	3.3.1.2 Implement a pilot of 4 electric motorcycles plus a solar powered charging station in the KCCA fleet working with local innovation startups to test technology adoption, train local youth on the new technology and business model and promote uptake among the motor taxi (boda boda) operators.	Number of electric motorcycles within the KCCA Fleet. Number of charging stations established	0 (2018)	4 (2021) 1 (2021)	4 motorcycles have been procured and added to the KCCA Fleet 0 (2021)	Report of installation. Evaluation report of the project	Staff are well sensitized on the new technology
	3.3.2 An integrated small-scale solar Mini-grid energy system is developed in GKMA secondary cities with a private operator and local communities, approved by the users and technical and financial sustainability is demonstrated for scaling up.	Number of mini-grids installed	0 (2018)	2 (2023)	0 (2020) 0 (2021)	Report of installation; Evaluation report of the project	Projects leaders were well prepared and materials delivered in time

<Please list all contracts (works, supplies, services) above € 60 000 awarded for the implementation of the action during the reporting period, giving for each contract the amount, the name of the contractor and a brief description on how the contractor was selected.>

1. One contract exceeding €60 000 was awarded for the implementation of the action during the reporting period, namely the Consultant Coordinator, for a budget of 72 450 euros for a one-year period contract. The selected bidder was Flora Geley, a freelance consultant with expertise in institutional strengthening, urban development and local governance with over 12 years' experience. The consultant was contracted to support the coordination and implementation of bundled activities linked to enhancing local governments' access to local finance and elaborating a Metropolitan Investment Plan, in parallel with the technical expert. The main role of the consultant is the coordination and the facilitation of the different activities, as well as the knowledge management and guidance in-between the different workshops and in preparation of the replication of the methodology.

The procurement process was covered by FMDV, under the EU rules, namely an open competitive bid. The ToRs were advertised on the 27th of May 2021 through FMDV's website and network, as well as KCCA's website. The deadline was fixed to the 16th of June. 4 bids were received, and the evaluation was based on a combined evaluation of both technical and financial proposals. The award of the contract was made to the individual consultant whose CV has been evaluated and determined as (a) technically responsive/ compliant/ acceptable, and (b) lowest daily fee. Following the first analysis, an interview process was conducted the last week of June 2021 and confirmed the evaluation process. The contract was prepared in July and signed in August 2021 for a one-year period.

KCCA procured services for the installation of solar panels for Mulago School for the deaf and Ntinda school for the deaf under lot 1 and lot 2 at a total cost of UGX 300,523,340 (EUR 74,034) and UGX 365,133,440 (EUR 89,957). The contracts were awarded in November and the procurement method used was open domestic bidding.

KCCA also procured servers to support information storage at the Local Government Finance Commission using Open bidding method. The contract was awarded at UGX 954,925,086 (EUR 220,930)

Action Plan for Year 3

1.1. Below is an updated action plan for the future activities in year 2³

³ This plan will cover the financial period between the interim report and the next report.

Table 6 Action Plan for the Future Activities of the Project

ACTION PLAN FOR YEAR 3 (12/11/2021 – 11/11/2022)												
Preparation & Execution	M1 ⁴	M2	M3	M 4	M 5	M 6	M 7	M 8	M 9	M 10	M 11	M 12
Activity 1.1.1.1 Organization of 2 high-level policy dialogue work-shops on localizing finance												
Activity 1.1.1.2 Draft recommendations for revised policy, legislation, regulations in legal framework for municipal finance;												
Activity 1.1.1.3 High-level advocacy meetings with key												

⁴ M1 corresponds to Mid November 2021, M2 corresponds to December 2021, M3 corresponds to January 2022, etc.

ACTION PLAN FOR YEAR 3 (12/11/2021 – 11/11/2022)

Preparation & Execution	M1 ⁴	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
decision makers to apply the recommendations focus on short term policy reforms												
Activity 2.1.1.1 Organize 1 peer-to-peer learning training workshop on conditions of success for increasing tax collection												
Activity 2.1.1.2 Realization of 1 guidebook that will share practices from Uganda, Africa and other parts of the world to increase sustainably the revenue mobilization of local tax collection.												
Activity 2.1.3.1 Organization of 1												

ACTION PLAN FOR YEAR 3 (12/11/2021 – 11/11/2022)

Preparation & Execution	M1 ⁴	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
training workshop on Land Based Financing												
Activity 2.1.3.2 Realization of a 1 guidebook on Land Based Financing												
Activity 2.2.1.1 Organization of a training workshop for KCCA and GKMA to improve credit-worthiness to access capital market												
Activity 2.2.2.1 Technical assistance to KCCA for transaction advisory to finalize the issuance of the KCCA's Green Bond												
Activity 2.2.3.1 A training workshops on												

ACTION PLAN FOR YEAR 3 (12/11/2021 – 11/11/2022)

Preparation & Execution	M1 ⁴	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Local Green Bond Issuance												
Activity 2.2.3.3 Strengthen financial management and reporting systems for KCCA and GKMA secondary cities (cash management, grants management and reporting, etc.)												
Activity 2.2.3.4 Realization of updated accounting manual, financial management system and KCCA subnational debt management strategy												
Activity 2.2.3.6 A training workshop on Subnational Pooled Financing Mechanisms												

ACTION PLAN FOR YEAR 3 (12/11/2021 – 11/11/2022)

Preparation & Execution	M1 ⁴	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Activity 2.3.1.1: Organization of 1 peer learning to share and explore the modalities and conditions of success of local PPP for KCCA and GKMA's secondary cities												
Activity 2.3.1.2: Realization of 1 guidebook on conditions and modalities of building effective local PPPs that will share inspiring (good and bad) practices from Uganda, Africa and other parts of the world.												
Activity 2.3.2.1: Preparation of 3 concrete PPP projects that will be developed												

ACTION PLAN FOR YEAR 3 (12/11/2021 – 11/11/2022)

Preparation & Execution	M1 ⁴	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Activity 2.3.3.1: Organization of a peer learning workshop on attracting public and private investment at local level, to present and introduce existing modalities and mechanisms.												
Activity 3.1.1.1 Realization of 1 guidebook on conditions and modalities of building integrated investment plans at regional and metropolitan levels												
Activity 3.1.1.2 Design of a metropolitan investment plan												
Activity 3.3.1.1 Implement pilot projects in KCCA and GKMA secondary cities on												

ACTION PLAN FOR YEAR 3 (12/11/2021 – 11/11/2022)

Preparation & Execution	M1 ⁴	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
solar PV for 4 schools												
Activity 3.3.1.2 Implement pilot projects of 4 electric motorcycles plus a solar charging station												
Activity 3.3.2.1 Design and construct 2 community Solar mini-grids of 50KWp each in GKMA and fine tune the sustainable business model and technical modalities												

3. Visibility

How is the visibility of the EU contribution being ensured in the Action?

A communication and visibility plan was elaborated, shared and approved by the EU. Several stakeholder engagements were held during the reporting period that included handing over of equipment to the beneficiary municipalities, Stakeholder engagements with the KCCA and GKMA beneficiary schools, TADAT training, Training on the living Lab technologies and Land Based Financing Workshop.

All the materials presented during those meetings included the EU logo.

- **Programme Webpage**

The Program webpage under the Kampala Capital City Authority official website was updated. www.kcca.go.ug/pifud

From October 2020 to November 2021, there has been an increase in the visits of 20.5%, from 279,844 to 412,077.

- **Press Releases**

The press release for the handover of the IRAS software to the beneficiary municipalities was done on 18th February 2021. See www.kcca.go.ug/pifud

- **Newsletters**

Quarterly newsletters were published in the months of February, May and August 2021. More than 100 persons were registered to the last newsletter in August 2021.

- **Steering Committee Meetings**

Quarterly Steering Committee meetings were held between PIFUD and beneficiary municipalities.

- **Newspaper**

The program published a half page article in the Daily Monitor Newspaper of 9th May 2021 commemorating the European Union Day.

<https://web.monitor.co.ug/Supplement/2021/05/PIFUD20200530.pdf>

An article was placed in the *District Focus* section that run for a period of one week (see annexes)

- **Media Pitching and Briefing Opportunities.**

Informal meetings with journalists from the local media houses were organized to try and influence the journalists into writing and speaking on radio about the program and as a result, radio talk shows in the beneficiary municipalities of Nansana, Entebbe and Makindye Ssabagabo were held.

- **Social Media**

The Program adopted the **#finance4GKMA** hashtag for all communication on social media.

The program activities appeared on all Kampala Capital City Authority social media Platforms which include:

Facebook – Kampala Capital City Authority-kccaug,

Twitter @kccaug,

Instagram @kccaug

Youtube kccaug

- **Factsheets : www.kcca.go.ug/pifud**

- Programme summary, updated annually
- High-Level Policy Dialogue
- Integrated Revenue Administration System
- Living Labs – presentation of the methodological approach
 - E-mobility – key results
 - Solar in Schools – process and key results

- **Branding Collateral**

Branding collateral like facemasks, teardrop banners and standalone banners were printed.

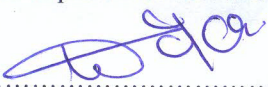
To view photographs of the IRAS Hardware handover ceremony, Steering Committee meetings, branding collateral, press releases and communication plan please visit:

https://drive.google.com/drive/u/0/folders/1PoMCJ_3W5NBeqSRIVfOu5LczWjEUt2Fc

Contract Number: C SO-L A/2019/408-978

Reporting Period: 12.11.2020 – 11.11.2021

Name of the contact person for the Action: Edison Masereka

Signature: 

Location: Kampala Capital City Authority

Date report due: 12/11/2021

Date report sent:

EVALUATIONS

Results Oriented Monitoring

One Results Oriented Monitoring (ROM) was commenced on the 22/11/2021. The final report will be available in January 2022.

Expenditure Verification

An expenditure verification will be undertaken after the close of year two by Price Waterhouse Coopers (PWC).

FINANCIAL REPORT

See attachment

**END OF YEAR 1
CONSOLIDATED FINANCIAL
REPORT
NOVEMBER 2020 to
NOVEMBER 2021**

PROGRAM ON INTEGRATED LOCAL FINANCE FOR SUSTAINABLE URBAN DEVELOPMENT IN THE GREATER KAMPALA METROPOLITAN AREA

Contract CSO-LA/2019/408-978

Implementation period of the contract (12/11/2019 - 11/11/2023)


Interim financial report: period (12/11/2020 - 11/11/2021)		Budget as per contract/addendum			Reallocation	Expenditure incurred							
Expenditures		Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	allowed reallocation (article 9.4 of the GC)	# Units	Unit value (in EUR)	Total Cost (in EUR) Y2	Cumulated costs (before current report) (in EUR) Y1	Cumulated costs (from start of implementation to present report included) (in EUR)	Difference of cumulated costs till present and budget as per contract/adden- um	Variation from budget as per contract/adden- um
			(a)	(b)	(c)=a*b	(r)	(a)	(b)	(c)=a*b	(d)	(f)=c+d	(g)= c (or r) - f	(h)= g/c (or r)
1. Human Resources													
1.1 Salaries (gross salaries including social security charges and other related costs, local staff) - KCCA													
1.1.1 Technical													
1.1.1.1 Program Manager		Per month	48	4,140	198,720		12	4,772.89	57,274.68	40,911.94	98,186.62	100,533.38	50.59%
1.1.1.2 Program Supervisor		Per month	48	2,875	138,000		12	3,302.90	39,634.74	29,012.00	68,646.74	69,353.26	50.26%
1.1.1.3 Program Officer		Per month	48	1,840	88,320		12	1,838.76	22,065.12	22,022.00	44,087.12	44,232.88	50.08%
1.1.2 Administrative/ support staff													
1.1.2.1 Program Accountant		Per month	48	1,840	88,320		12	1,857.68	22,292.16	17,477.00	39,769.16	48,550.84	54.97%
1.1.2.2 Procurement officer		Per month	6	431.14	-	2,586.84	-	-	-	-	-	2,586.84	100.00%
1.1.2.3													
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff) - FMDV													
1.2.1 Program Manager (100%)		Per month	48	5,000	240,000	200,000.00	12	4,765.30	57,183.60	60,066.00	117,249.60	82,750.40	41.38%
1.2.2 Program Supervisor (50%)		Per month	24	6,400	153,600	222,688.00	6	6,267.07	37,602.42	80,274.00	117,876.42	104,811.58	47.07%
1.2.3 Program Officer (100%)		Per month	48	4,500	216,000	186,912.00	12	3,215.39	38,584.68	52,099.00	90,683.68	96,228.32	51.48%
1.3 Per diems for missions/travel													
1.3.1 Abroad (staff assigned to the Action)		Per diem	170	200	34,000		16	193.94	3,103.04	2,192.00	5,295.04	28,704.96	84.43%
1.3.2 Local (staff assigned to the Action)		Per diem	45	245	11,025	8,438.00	-	-	-	-	-	8,438.00	100.00%
1.3.3 Steering Committee		Per diem	160	50	8,000		5	113.82	569.10	-	569.10	7,430.90	92.89%
Subtotal Human Resources					1,175,985	620,624.84			278,309.54	304,053.94	582,363.48	593,621.36	50.48%
2. Travel													
2.1. International travel													
2.1.1													
2.1.2 International travel from/to Europe (Elected leaders - Economy class)		Per flight	35	1,200	42,000		5	1,077.30	5,391.25	2,894.00	8,285.25	33,714.75	80.27%
2.1.3 Regional travels (economic class)		Per flight	5	1,200	6,000		-	-	-	-	-	6,000.00	100.00%
2.1.4 Regional travels (Elected Leaders - Economy class)		Per flight	22	500	11,000		-	-	-	-	-	11,000.00	100.00%
2.2 Local transportation		Per flight	4	500	2,000		-	-	-	-	-	2,000.00	100.00%
Subtotal Travel					61,000	0.00			5,391.25	2,894.00	8,285.25	52,714.75	86.42%
Equipment and supplies													

Expenditures	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	allowed reallocation (article 9.4 of the GC)	# Units	Unit value (in EUR)	Total Cost (in EUR) Y2	Cumulated costs (before current report) (in EUR) Y1	Cumulated costs (from start of implementation to present report included) (in EUR)	Difference of cumulated costs till present and budget as per contract/addendum	Variation from budget as per contract/addendum
3.1 Purchase vehicles	Per unit	1	60,000	60,000	-	1	53,288.83	53,288.83	-	53,288.83	6,711.17	11.19%
3.2 Electric Motorcycles plus charging station staff)	Per unit	4	2,600	10,400	-	1	778.03	778.03	6,747.00	7,525.03	2,874.97	27.64%
3.4 Laptop Computers for staff assigned to the project	Per set	4	925	3,700	-	-	-	-	1,879.00	1,879.00	1,821.00	49.22%
3.5 Equipment for Revenue Mng. System - Servers	Per unit	4	1,200	4,800	-	-	-	-	4,629.00	4,629.00	171.00	3.56%
3.6 UPS stabilizer	Per unit	2	120,000	240,000	-	1	704.52	704.52	-	704.52	239,295.48	99.71%
3.7 QR code readers	Per unit	10	3,500	35,000	-	-	-	-	-	-	35,000.00	100.00%
3.8 Desktop Computers	Per unit	50	500	25,000	-	50	502.59	25,129.50	3,572.00	28,701.50	-3,701.50	-14.81%
3.9 Printers	Per unit	50	900	45,000	-	18	947.54	17,055.72	9,362.00	26,417.72	18,582.28	41.29%
3.10 Network & internet connection equipment	Per unit	10	800	8,000	-	18	695.90	12,526.20	5,913.00	18,439.20	-10,439.20	-130.49%
3.11 Other (please specify)	Per unit	2	30,000	60,000	-	1	963.23	963.23	4,377.00	5,340.23	54,659.77	91.10%
Subtotal Equipment and supplies				491,900	0.00			110,446.03	36,479.00	146,925.03	344,974.97	70.13%
4. Local office												
4.1 Vehicle costs	Per month	48	400	19,200	-	7	280.68	1,964.76	305.00	2,269.76	16,930.24	88.18%
4.2 Office rent	Per month	48	500	24,000	-	12	440.52	5,286.24	4,714.00	10,000.24	13,999.76	58.33%
4.3 Consumables - office supplies in Kampala	Per month	48	400	19,200	-	12	362.01	4,344.12	2,149.00	6,493.12	12,706.88	66.18%
4.4 Other services (tel/fax, electricity/heating, maintenance)	Per month	48	200	9,600	-	6	137.54	825.24	1,785.00	2,610.24	6,989.76	72.81%
Subtotal Local office				72,000	0.00			12,420.36	8,953.00	21,373.36	50,626.64	70.31%
5. Other costs, services												
5.1 Publications												
5.1.1 Production of Handbooks	Per handbook	5	3,000	15,000	-	-	-	-	-	-	15,000.00	100.00%
5.2 Studies, Technical expertise												
5.2.1 Expertise for Policy Dialogues	Per dialogue	2	9,600	19,200	-	1	9,635.00	9,635.00	1,015.00	10,650.00	8,550.00	44.53%
5.2.2 Expertise for revised policy, legislation, regulations (A.1.1.2)	Per day	20	150	3,000	-	-	-	-	-	-	3,000.00	100.00%
5.2.3 Expert for Municipal revenue design (A2.1.1)	Per day	225	150	33,750	-	120	103.15	12,378.00	13,462.00	25,840.00	7,910.00	23.44%
5.2.4 Expert on System support & backstopping for 1 year (A2.2.1)	Per day	72	150	10,800	-	28	139.70	3,911.60	1,490.00	5,401.60	5,398.40	49.99%
5.2.5: Fifty temporary staff to conduct taxpayer registration (A2.1.2)	Per day	2,547	25	56,250	63,666.75	2,386	24.75	59,053.50	4,613.00	63,666.50	0.25	0.00%
5.2.6 Expert on Green Bond (handbook)	Per day	15	700	10,500	-	-	-	-	-	-	10,500.00	100.00%
5.2.7 Expert on Green Bond design (A.2.2.2)	Per day	3	25,000	75,000	-	-	-	-	-	-	75,000.00	100.00%
5.2.8 Expert on PPPs (A.2.3.1)	Per day	15	700	10,500	-	-	-	-	-	-	10,500.00	100.00%
5.2.9 Project preparation (A.2.3.2)	Per project	3	30,950	92,850	82,283.42	1	575.26	575.26	6,602.00	7,177.26	75,106.16	91.28%
5.2.10 Expert on project preparation facilities (A.2.3.4)	Per day	40	700	28,000	-	-	-	-	-	-	28,000.00	100.00%
5.2.11 Expert on investment plans design (A.1.3.1.1)	Per day	21	700	14,700	-	-	-	-	-	-	14,700.00	100.00%
5.2.12 Expert on financial management and Reporting systems for KCCA & GKMA	Per day	24	700	16,800	-	15	663.35	9,950.25	-	9,950.25	6,849.75	40.77%
5.2.13 Expert on subnational debt management and financial management system	Per day	18	700	12,600	-	-	-	-	-	-	12,600.00	100.00%
5.2.14 Expert on investment plans design (A.2.3.1.1)	Per year	4	20,225	80,900	-	1	3,867	3,867.00	-	3,867.00	77,033.00	95.22%
5.2.15 Local Experts for pilot actions	Per day	45	150	6,750	-	-	-	-	2,103.00	2,103.00	4,647.00	68.84%
5.3 Credit Rating Agencies	Per day	3	20,000	60,000	-	-	-	-	-	-	60,000.00	100.00%
5.4 Expenditure verification/Audit	Per year	4	10,000	40,000	-	1	9,103.02	9,103.02	-	9,103.02	30,896.98	77.24%
5.5 Evaluation costs	Per year	2	15,000	30,000	-	1	591.28	591.28	-	591.28	29,408.72	98.03%
5.6 Translation, interpreters	Per translation	4	1,750	7,000	-	-	-	-	-	-	7,000.00	100.00%
5.7 Financial services (bank guarantee costs etc.)	Per year	4	2,525	10,100	-	1	197.88	197.88	182.00	379.88	9,720.12	96.24%

Expenditures	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	allowed reallocation (article 9.4 of the GC)	# Units	Unit value (in EUR)	Total Cost (in EUR)	Unit value (in EUR)	Cumulated costs (before current report) (in EUR)	Cumulated costs (from start of implementation to present report included) (in EUR)	Difference of cumulated costs till present and budget as per contract/addendum	Variation from budget as per contract/addendum
5.8 Costs of conferences/seminars (logistics)													
5.8.1 High level Policy Workshops	Per participant	500	50	25,000	-						9,465.80	15,534.20	62.14%
5.8.2 High level advocacy meetings	Per participant	140	50	7,000	-						-	7,000.00	100.00%
5.8.3 Validation meetings of the financial management and reporting system	Per participant	150	50	7,500	-						-	7,500.00	100.00%
5.8.4 Workshop of presentation of the subnational debt management system	Per participant	200	50	10,000	-						-	10,000.00	100.00%
5.8.5 Peer Learning on Tax recovery (Venues, catering, materials etc for 60 pple)	Per day	2	5,200	10,400	15,399.99	1	1,470.81	1,470.81		1,766.00	3,236.81	12,163.18	78.98%
5.8.6 Peer Learning on PPPs (venues, catering, materials etc for 100ppl)	Per day	2	6,000	12,000	-	-	-	-		-	-	12,000.00	100.00%
5.8.7 Peer Learning on Public Investment (venues, catering, materials etc for 100ppl)	Per day	2	6,000	12,000	-	-	-	-		-	-	12,000.00	100.00%
5.8.8 Match Making meeting with private sector	Per meeting	4	3,000	12,000	-	-	-	-		-	-	12,000.00	100.00%
5.8.9 Collaborative workshop on the Metropolitan Investment plan	Per workshop	4	3,000	12,000	-	2	3,272.45	6,544.90		-	6,544.90	5,455.10	45.46%
5.8.10 Meeting for endorsement of the Investment Plan	Per participant	100	50	5,000	-	-	-	-		-	-	5,000.00	100.00%
5.8.11 Consultation meetings for the pilot actions (venues, catering, materials etc for 120 pple)	Per meeting	3	7,200	21,600	19,500.00	1	2,289.73	2,289.73		6,930.00	9,219.73	10,280.27	52.72%
5.9. Visibility actions	Per year	4	10,200	40,800	-	1	1,169.20	1,169.20		14,660.00	15,829.20	24,970.80	61.20%
5.10 Website design and maintenance	Per year	4	2,125	8,500	-	1	203.23	203.23		1,041.00	1,244.23	7,255.77	85.36%
5.11 One stop shop online tool	Per year	4	1,250	5,000	-	-	-	-		-	0.00	5,000.00	100.00%
Subtotal Other costs, services				822,500	180,850.16			130,406.46		53,864.00	184,270.46	637,979.70	77.57%
6. Other													
6.1 Material													
6.1.1 Material action	Per unit	4	100,000	400,000	-	1	2,975.68	2,975.68		-	2,975.68	397,024.32	99.26%
6.1.2 Material action	Per unit	2	338,800	677,600	-	-	-	-		-	-	677,600.00	100.00%
6.1.3 Material action	Per school	4	2,500	10,000	12,000.00	-	-	-		-	-	12,000.00	100.00%
6.2 Training													
6.2.1 a Training on tax recovery improvement (Own source revenue mgt) (logistics)	Per participant	170	50.00	8,500	-	-	-	-		-	-	8,500.00	100.00%
6.2.2a Training on Land Based Financing	Per participant	300	50	15,000	-	105	40.36	4,237.50		-	4,237.50	10,762.50	71.75%
6.2.3 a Training on creditworthiness improvement	Per participant	170	50	8,500	-	-	-	-		-	-	8,500.00	100.00%
6.2.4 Training on Municipal Green Bond	Per participant	170	50	8,500	-	-	-	-		-	-	-	0.00%
6.2.5 Training on Pooled Financing	Per participant	170	50	8,500	-	-	-	-		-	-	-	0.00%
6.3 Study Tour													
6.3.1 Onsite transportation	Per day	45	50	2,250	-	-	-	-		-	-	2,250.00	100.00%
6.3.2 Per diem for the participants of the Study Tour	Per day	75	245	18,375	-	-	-	-		-	-	18,375.00	100.00%
Subtotal Other				1,157,225.00	12,000.00			7,213.18		-	7,213.18	1,135,011.82	98.08%
7. Subtotal direct eligible costs of the Action (1 to 6)				3,780,610.0	813,475.00			544,186.8		406,243.94	950,430.76	2,814,929.24	74.46%
8. Indirect costs (maximum 7% of 7, subtotal of direct eligible costs of the Action)				264,642.70	264,642.70			38,093.08		-	66,530.15	264,642.70	100.00%

Expenditures	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	allowed reallocation (article 9.4 of the GC)	# Units	Unit value (in EUR)	Total Cost (in EUR)	Cumulated costs (before current report) (in EUR) Y1	Cumulated costs (from start of implementation to present report included) (in EUR)	Difference of cumulated costs till present and budget as per contract/addend um	Variation from budget as per contract/adden dum
9. Total eligible costs of the Action, excluding reserve (7+8)				4,045,252.70	1,078,117.70			582,279.90	406,243.94	1,016,960.91	3,079,571.94	76.13%
10. Provision for contingency reserve (max 5% of 7, subtotal of dir. eligible costs)				113,418.30	113,418.30			-			113,418.30	100.00%
11. Total eligible costs (9+10)				4,158,671.00	1,191,536.00			582,279.90	406,243.94	1,016,960.91	3,192,990.24	76.78%
12. Contributions in kind												
13. Total accepted costs of the Action (11+12)				4,158,671.00	1,191,536.00			582,279.90	406,243.94	1,016,960.91	3,192,990.24	76.78%

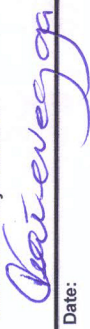
Prepared by: Program Accountant
Name : Massy Kabuye Naggayi


Date: 21/02/2022

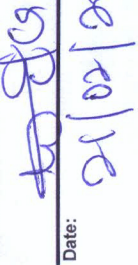
Reviewed by: Program Supervisor
Name : Sarah/Natuna Elizabeth


Date: 21/02/2022

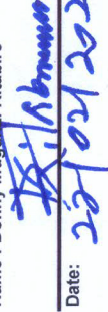
Reviewed by: Manager Revenue Accounting/Grants
Name : Godfrey Galimaka


Date:


Approved By: Program Manager
Name: Edison Masereka


Date: 21/02/2022

Approved by AG Director Treasury Services
Name : Donny Muganzi Kitabire


Date: 22/02/2022

Approved by: Executive Director
Name : Dorothy Kisaka


Date:

**FORECAST BUDGET AND
FOLLOW UP
12/11/2020 to 11/11/2021**

Implementation period of the contract (12/11/2019 - 11/11/2023)

Forecast Budget & follow-up	Previous period (12/11/2020 - 11/11/2021)				Real Previous Period	Following period (12/11/2021- 11/11/2022)						
	Forecast					Forecast						
	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)		Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)			
Expenditures	1. Human Resources											
		1.1 Salaries (gross amounts, local staff)										
			1.1.1.1 Program Manager	Per month	12	4,140	49,680	57,274.68	Per month	12	4,140	49,680.00
			1.1.1.2 Program Supervisor	Per month	12	2,875	34,500	39,634.74	Per month	12	2,875	34,500.00
	1.1.1.3 Program Officer	Per month	12	1,840	22,080	22,065.12	Per month	12	1,840	22,080.00		
	1.1.2 Administrative/ support staff											
		1.1.2.1 Program Accountant	Per month	12	1,840	22,080	22,292.16	Per month	12	1,840	22,080.00	
		1.1.2.2 Procurement Officer	Per month				-	Per month	6	431.14	2,586.84	
	1.2 Salaries (gross amounts, expat/int. staff)											
		1.2.1 Program Manager	Per month	12	5,000	60,000	57,183.60	Per month	10	5,000	50,000.00	
1.2.2 Program Supervisor		Per month	6	6,400	38,400	37,602.42	Per month	6	7,423	44,537.60		
1.2.3 Program Officer	Per month	12	4,500	54,000	38,584.68	Per month	12	3,894	46,728.00			
1.3 Per diems for missions/travel												
	1.3.1 Abroad (staff assigned to the Action)	Per diem	43	200	8,600	3,103.04	Per diem	30	200	22,705.00		
	1.3.2 Local (staff assigned to the Action)	Per diem	12	245	2,940	-	Per diem	28	243	6,968.00		
	1.3.3 Steering Committee	Per diem	52	50	2,600	569.10	Per diem	108	50	5,400.00		
Subtotal Human Resources				294,880.00	278,309.54				307,265.44			

Expenditures	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	Total Cost (in EUR)	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)
2. Travel									
2.1.1 International travel	Per flight	9	1200	10,800	5,391.25	Per flight	23	1,200	27,600.00
2.1.2 International travel from/to Europe (Elected Leaders - Economy class)	Per flight	1	1200	1,200	-	Per flight	3	1,200	3,600.00
2.1.3 Regional travels (economic class)	Per flight	6	500	3,000	-	Per flight	20	500	10,000.00
2.1.4 Regional travels (Elected Leaders - Economy class)	Per flight	2	500	1,000	-	Per flight	3	500	1,500.00
2.2 Local transportation	Per month				-	Per month	-	-	-
Subtotal Travel				16,000.00	5,391.25				42,700.00
3. Equipment and supplies					-				
3.1 Purchase vehicles	Per unit	1	60,000	60,000	53,288.83	Per unit	1	6,711	6,711.17
3.2 Electric Motorcycles plus charging station	Per unit	2	3,373.5	6,747	778.03	Per unit	1	2,875	2,874.97
3.3 Furniture (tables, Chairs & small office equipment for 4 staff)	Per set	0	-	0	-	Per set	-	-	-
3.4 Laptop Computers for staff assigned to the project	Per unit	0	-	0	-	Per unit	-	-	-
3.5 Equipment for Revenue Mng. System - Servers	Per unit	2	120,000	240,000	704.52	Per unit	2	119,647.74	239,295.48
3.6 UPS stabilizer	Per unit	1	35,000	35,000	-	Per unit	10	3,500	35,000.00
3.7 QR code readers	Per unit	51	418.8	21,359	25,129.50	Per unit	-	-	-
3.8 Desktop Computers	Per unit	33	1,063.5	35,095	17,055.72	Per unit	-	-	-
3.9 Printers	Per unit	5	800.0	4,000	12,526.20	Per unit	-	-	-
3.10 Network & internet connection equipment	Per unit	1	55,623	55,623	963.23	Per unit	1	54,659.77	54,659.77
3.11 Other (please specify)									
Subtotal Equipment and supplies				457,823.52	110,446.03				338,541.39
4. Local office									
4.1 Vehicle costs	Per month	12	400	4,800	1,964.76	Per month	12	400	4,800.00
4.2 Office rent	Per month	12	500	6,000	5,286.24	Per month	12	500	6,000.00

Expenditures	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	Total Cost (in EUR)
4.3 Consumables - office supplies	Per month	12	400	4,800	Per month	12	400	4,800.00	4,800.00
4.4 Other services (tel/fax, electricity/heating, m)	Per month	12	200	2,400	Per month	12	200	2,400.00	2,400.00
Subtotal Local office				18,000.00				12,420.36	18,000.00
5. Other costs, services								-	
5.1.1 Production of Handbooks	Per handbook	2	3,000	6,000	Per handbook	3	3,000	9,000.00	9,000.00
5.2.1 Expertise for Policy Dialogues	Per dialogue	2	9,092.5	18,185	Per dialogue	1	9,600	9,600.00	9,600.00
5.2.2 Expertise for revised policy, legislation,	Per day	20	150	3,000	Per day	20	150	3,000.00	3,000.00
5.2.3 Expert for Municipal revenue design (A	Per day	185	150	27,743	Per day	52	150	7,800.00	7,800.00
5.2.4 Expert on System support & backstop	Per day	62	150	9,300	Per day	-	-	-	-
5.2.5. Fifty temporary staff to conduct taxpayer registration (A2.1.2)	Per day	2065	25	51,625	Per day	-	-	-	-
5.2.6 Expert on Green Bond (handbook)	Per day	15	700	10,500	Per day	15	700.00	10,500.00	10,500.00
5.2.7 Expert on Green Bond design (A.2.2.2)	Per year	1	75,000	75,000	Per year	3	25,000.00	75,000.00	75,000.00
5.2.8 Expert on PPPs (A.2.3.1)	Per day	15	700	10,500	Per day	15	700.00	10,500.00	10,500.00
5.2.9 Project preparation (A.2.3.2)	Per project	1	24,328	24,348	Per project	2	11,692.50	23,385.00	23,385.00
5.2.10 Expert on project preparation facilities (A.2.3.4)	Per day	0	-	0	Per day	25	700.00	17,500.00	17,500.00
5.2.11 Expert on investment plans design (A.1.3.1.1)	Per day	14	700	9,800	Per day	21	700	14,700.00	14,700.00
5.2.12 Expert on financial management and Reporting systems for KCCA & GKMA	Per day	24	700	16,800	Per day	12	571	6,849.72	6,849.72
5.2.13 Expert on subnational debt management and financial management system	Per day	45	150	6,750	Per day	18	700.00	12,600.00	12,600.00
5.2.14 Expert on investment plans design (A.2.3.1.1)	Per year	1	40,450	40,450	Per year	4	20,225.00	80,900.00	80,900.00
5.2.15 Local Experts for pilot actions	Per day	5	150	750	Per day	25	150.00	3,750.00	3,750.00
5.3 Credit Rating Agencies	Per year	1	20,000	20,000	Per year	3	20,000.00	60,000.00	60,000.00

Expenditures	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	Total Cost (in EUR)	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)
5.4 Expenditure verification/Audit	Per year	1	20,000	20,000	9,103.02	Per year	1	10,000.00	10,000.00
5.5 Evaluation costs	Per year	1	15,000	15,000	591.28	Per year	1	15,000.00	15,000.00
5.6 Translation, interpreters	Per translation	2	1,750	3,500	-	Per translation	1	1,750.00	1,750.00
5.7 Financial services (bank guarantee costs etc.)	Per year	1	4,868	4,868	197.88	Per year	1	2,525.00	2,525.00
5.8 Costs of conferences/seminars (logistics)					-				
5.8.1 High level Policy Workshops	Per participant	400	50	20,000	9,465.80	Per participant	190	50	9,500.00
5.8.2 High level advocacy meetings	Per participant	140	50	7,000	-	Per participant	140	50	7,000.00
5.8.3 Validation meetings of the financial management and reporting system	Per participant	100	50	5,000	-	Per participant	150	50	7,500.00
5.8.4 Workshop of presentation of the subnational debt management system	Per participant	145	50	7,250		Per participant	200	50	10,000.00
5.8.5 Peer Learning on Tax recovery (venues, catering, materials etc for 60 pple)	Per day	1	5,200	5,200	1,470.81	Per day	2	5,133	7,699.50
5.8.6 Peer Learning on PPPs (venues, catering, materials etc for 100pple)	Per day	0	0	0	-	Per day	2	6,000	12,000.00
5.8.7 Peer Learning on Public Investment (venues, catering, materials etc for 100pple)	Per day	0	0	0	-	Per day	2	6,000	12,000.00
5.8.8 Match Making meeting with private sector	Per meeting	0	0	0	-	Per meeting	1	3,000	3,000.00
5.8.9 Collaborative workshop on the Metropolitan Investment plan	Per workshop	4	3,000	12,000	6,544.90	Per workshop	2	3,000	6,000.00
5.8.10 Meeting for endorsement of the Investment Plan	Per participant	0	-	0	-	Per participant	100	50	5,000.00
5.8.11 Consultation meetings for the pilot actions (venues, catering, materials etc for 120 pple)	Per meeting	1	7,200	7,200	2,289.73	Per meeting	2	5,140	10,280.00
5.9. Visibility actions	Per year	1	5,740	5,740	1,169.20	Per year	1	10,200	10,200.00
5.10 Website design and maintenance	Per year	1	3,209	3,209	203.23	Per year	1	2,125	2,125.00
5.11 One stop shop online tool	Per year	1	1,250	1,250	-	Per year	2	1,250	2,500.00
Subtotal Other costs, services				447,967.28	130,406.46				479,164.22

Expenditures	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)	Total Cost (in EUR)	Unit	# Units	Unit value (in EUR)	Total Cost (in EUR)
6. Other				-					
6.1.1 Purchase of 4 solar energy systems for pilot action	Per unit	3	100,000	300,000	2,975.68	Per unit	1	100,000	100,000.00
6.1.2 Purchase of 2 min-grids energy systems for pilot action	Per unit	1	338,800	338,800	-	Per unit	1	338,800	338,800.00
6.1.3 Contract to dispose asbestos sheets from pilot action	Per school	3	2,500	7,500	-	Per school	4	3,000	12,000.00
6.2 Training									
6.2.1 Training on tax recovery improvement (Own source revenue mgt) (logistics)	Per participant	120	50	6,000	-	Per participant	125	51	6,375.00
6.2.1 bis TA on training on tax recovery improvement (Own source revenue mgt)	Per meeting					Per day	3	708.33	2,125.00
6.2.2(a) Training on Land Based Financing (logistics)	Per participant				4,237.50	Per participant	138	51.00	7,038.00
6.2.2(b) TA Training on Land Based Financing	Per participant	150	50.00	7,500		Per day	6	625.00	3,750.00
6.2.3 (a) Training on creditworthiness improvement (logistics)	Per participant	170	50	8,500	-	Per participant	127	50	6,350.00
6.2.3 (b) TA training on creditworthiness	per day					Per day	4	538	2,150.00
6.2.4 Training on Municipal Green Bond	Per participant	170	50	8,500	-	Per participant	170	50	8,500.00
6.2.5 Training on Pooled Financing	Per participant				-	Per participant	170	50	8,500.00
6.3.1 Onsite transportation	Per day				-	Per day	15	50	750.00
6.3.2 Per diem for the participants of the Study	Per day					Per day	25	245	6,125.00
Subtotal Other				676,800.00	7,213.18				502,463.00
7. Subtotal direct eligible costs of the Action (1 to 6)				1,911,471	544,186.82				1,688,134.05
8. Indirect costs (maximum 7% of 7, subtotal of direct eligible costs of the Action)				133,802.96	38,093.08				118,169.38
9. Total eligible costs of the Action, excluding reserve (7+8)				2,045,274	582,279.90				1,806,303.43
10. Provision for contingency reserve (max 5% of 7, subtotal of dir. eligible costs)				95,574	-				-
11. Total eligible costs (9+10)				2,140,847	582,279.90				1,806,303.43

