



African Forum and Network
on Debt and Development



An Assessment of the Progress made in the
Implementation of the Paris Declaration and
Accra Agenda for Action on Aid Effectiveness

A Focus on Mutual Accountability and Democratic Ownership Principles

THE CASE OF UGANDA

About AFRODAD

Vision

AFRODAD aspires for an equitable and sustainable development process leading to a prosperous Africa

Mission

To secure policies that will redress the African debt crisis based on a human rights value system

Objectives include the following:

- 1 To enhance efficient and effective management and use of resources by African governments;
- 2 To secure a paradigm shift in the international socio-economic and political world order leading to a development process that addresses the needs and aspirations of the majority of people in the world
- 3 To facilitate dialogue between civil society and governments on issues related to Debt and Development in Africa and globally.

From the vision and the mission statements and from our objectives, it is clear that the Debt crisis, apart from being apolitical, economic and structural issue, has an intrinsic link to human rights. This forms the guiding philosophy for our work on Debt and the need to have African external debts cancelled for poverty eradication and attainment of social and economic justice. Furthermore, the principle of equity must of necessity apply and in this regard, responsibility of creditors and debtors in the debt crisis should be acknowledged and assumed by the parties. When this is not done, it is a reflection of failure of governance mechanisms at the global level to protect the interests of the weaker nations. The transparent arbitration mechanism on debt proposed by AFRODAD as one

way of dealing with the debt crisis finds a fundamental basis in this respect.

AFRODAD aspires for an African and global society that is just (equal access to and fair distribution of resources), respects human rights and promotes popular participation as a fundamental right of citizens (Arusha Declaration of 1980). In this light, African society should have the space in the global development arena to generate its own solutions, uphold good values that ensure that its development process is owned and driven by its people and not dominated by markets/profits and international financial institutions.

AFRODAD is governed by a Board composed of seven members from the five regions of Africa, namely east, central, western, south and the North. The Board meets twice a year. The Secretariat, based in Harare, Zimbabwe, has a staff compliment of seven programme and five support staff.

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Implementation of the Paris Declaration and
Accra Agenda for Action on Aid Effectiveness:
*A Focus on Mutual Accountability and
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The Case of Uganda

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ISBN 978-0-7974-4509-3 EAN 9780797445093

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Acronyms

AAA	Accra Agenda for Action
ACCU	Anti-Corruption Coalition
ACFODE	Action for Development
AfDB	African Development Bank
CSOs	Civil Society Organizations
CHOGM	Commonwealth Heads of Government Meeting
DANIDA	Danish International Development Agency
DP	Development Partners
FOWODE	Forum for Women in Democracy
DFID	Department for International Development
GBS	General Budget Support
GDP	Gross Domestic Product
IGG	Inspector General of Government
LG	Local Government
MoFPED	Ministry of Finance Planning and Economic Development
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NGO	Non-Government Organization
OAG	Office of the Auditor General
PAC	Public Accounts Committee
PEAP	Poverty Eradication Action Plan
PFM	Public Finance Management
PD	Paris Declaration
PPDA	Public Procurement and Disposal of Public Assets Authority
PRs	Poverty Reduction Strategies
SBS	Special Budget Support

SIDA	Swedish International Development Cooperation Agency
SWAP	Sector Wide Approach
SWG	Sector Working Group
UDN	Uganda Debt Network
UMA	Uganda Manufacturers Association
UN	United Nations
UJAS	Uganda Joint Assistance Strategy
UK	United Kingdom
UNRM	Uganda National Resistance Movement
USAID	United States Agency for International Development
UNICEF	United Nations Children's Fund
WHO	World Health Organisation

Acknowledgements

AFRODAD owes great debt of gratitude to Ms Martha Nanjobe and her research team who invested considerable time and effort in this report. In the AFRODAD secretariat many thanks go to Mr. Tirivangani Mutazu, Programme Officer for coordinating and facilitating the research. The report benefited greatly from the advice and incisive comments of the AFRODAD Policy Advisor Dr. Fanwell Kenala Bokosi and Executive Director, Collins Magalasi. AFRODAD also record deep appreciation for the financial support we received from Norwegian Church Aid.

Preface

The study assesses Uganda's progress in implementing the Paris Declaration (PD) and Accra Agenda for Action (AAA) and focuses on key areas of ownership and mutual accountability. The study considered civil society efforts in monitoring the AAA and PD, and contains practical recommendations for improving accountability and domestic ownership in the aid system.

The Uganda government led by President Museveni attracted high levels of donor support in the 1990s and he was commended for enhancing Uganda's stability and for economic growth and development. Uganda's economy grew at an average of 6% in the 1990s. Uganda's aid architecture mainly comprises of budget support with modality accounted for 46.8% of total inflows in 2006/7. This is followed by investment project assistance (23%) and project technical assistance (16%). There are more than 19 development partners present in Uganda. The largest donors are at present The World Bank, the European Commission, and United States Agency for International Development (USAID), the United Kingdom, Denmark and African Development Bank (AfDB).

Paris Declaration interpretation and awareness, in Uganda is weak among stakeholders. This assessment found out that knowledge of the PD is concentrated in a few individuals who have participated in previous aid effectiveness meetings (local or international). Within government, knowledge of the PD is concentrated within two institutions: the Ministry of Finance, Planning and Economic Development because of its active role in aid acquisition, coordination and management; and the Office of

the Prime Minister which is responsible for tracking and evaluating results. PD and AAA are hardly known at the National Planning Authority, within civil society, and the private sector. It is also not known in sectors that do not have a Sector Wide Approach. In SWAp sectors where the PD is relatively better known, awareness is confined to top management and technical advisers but tends to evaporate at lower levels (starting from assistant commissioner level downwards).

Uganda's budget process is highly participatory with development proposals originating from parish to district levels, and thereafter, feed into the national budget. However, in practice there is very limited input into the budget process by local communities. Secondly, whereas the budget process is designed to integrate national and district-level budget plans, in practice national priorities are often imposed on local authorities.

Accountability cannot be fully mutual between aid recipient countries and those providing them with development assistance. There are challenges of ensuring compliance due to the likely imbalances of bargaining power between donors and partner countries. Mutual accountability mechanisms, in Uganda where they exist, also tend to be weak. Lack of access to information on aid and aid performance limits the ability of either party to be held accountable. Moreover, partner countries have few (if any) mechanisms available to sanction donors for poor performance. Under such circumstances, mutual accountability mechanisms may reflect rather than transform existing unbalanced power relations.

Uganda has made considerable progress in building the legal and institutional framework for fighting corruption and promoting accountability. The legal framework comprises of the Anti-

Corruption Act which criminalizes particular acts as corruption and brings the law in line with the United Nations Convention against Corruption, the Leadership Code Act of 2002 which contributes to enhancing accountability by requiring specified leaders to declare their assets, the Access to Information Act of 2005 was also enacted to give effect to the constitutional guarantees of access to government information thus enhancing accountability. A Special Anti-Corruption Court has been established to try corruption cases. The Whistle-blowers Act was also enacted to provide legal protection for people who provide information on corruption. Laws pending enactment include the draft Anti-Money Laundering Bill whose objective is to criminalize money laundering by providing for measures to detect and prevent money laundering. Principles of the proposed Qui Tam legislation which provide for civil action by a member of the public for the recovery of proceeds of corruption have also been prepared.

To promote aid effectiveness, CSOs in Uganda undertake analysis of government programs and policies to assess the extent to which the policies and programs benefit the population, especially the poor and marginalized people. CSOs also undertake lobbying and advocacy for pro-poor policies and programs. At local government levels, the CSOs are involved in local government planning and monitoring transparency and accountability in service delivery. The CSOs have been instrumental in highlighting the quality of service delivery and pointing out areas for reform. Some CSOs in Uganda are encouraging local communities to monitor development projects to ensure that they are completed as planned. The majority of monitoring is performed on government funded projects. However, CSOs note that local citizens do not appreciate the fact that they are beneficiaries of development projects and that they should take interest in the implementation of development

projects. In addition, government is often unwilling to act on CSO monitoring reports. CSO participation enhance aid effectiveness through reducing corruption, improving governance by fostering greater citizen demand for access and voice, institutionalizing accountability processes through legal and policy reform, and increasing the longevity of policy reforms through increased community ownership



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Introduction and Background

Sustainable development and poverty reduction remain a challenge for many countries. Development Aid among other things, remains a key tool in reducing poverty and promoting sustainable development. The G8 summit in Gleneagles committed themselves to increasing aid to Africa to USD130 billion by 2010 and since then, there have been a number of new entrants in the donor community including China, India, Brazil and South Africa. Increases in aid have led to emphasis on accountability for aid in development. There has been growing recognition of the fact that aid can impact on, and be affected by accountability, governance and politics in donor and recipient countries. Increasing attention has also been paid to challenges for aid effectiveness.

The Paris Declaration (PD) 2005 on Aid Effectiveness set out five basic principles for joint progress these include: **Ownership** - where developing countries set their own strategies for poverty reduction, improve their institutions and tackle corruption; **Alignment** - Donor countries align behind these objectives and use local systems; **Harmonization** – where donor countries coordinate, simplify procedures and share information to avoid duplication; **Results** – where developing countries and donors shift focus to measurable development results. Finally, donors and recipient countries are expected to be **mutually accountable** for development results. The PD emphasized the need to increase both donors and aid recipients' accountability to their parliaments and citizens; the importance of timely and transparent information on aid flows, the need to strengthen budget processes in recipient countries; and stressed the principle of mutual accountability between donors and recipient countries.

The PD was followed by the Accra Agenda for Action (AAA) in 2008 which emphasized core accountability principles of answerability and transparency, and key domestic accountability actors beyond governments, such as parliaments and civil society organizations. The AAA also contains additional commitments on mutual accountability, including greater detail on mutual assessment reviews¹. It further provides for predictability, that is, donors provide 3-5 year forward information on their planned aid to partner countries; that partner country systems should be used to deliver aid as the first option; that donors would shift from reliance on prescriptive conditions about how and when aid money is spent, to conditions based on the developing country's own development objectives. The AAA further noted the need to improve the capacity of the recipient countries in aid management and thereby committed themselves to addressing the capacity limitations to ensure that aid management functions of recipient countries operate effectively.

The PD and the AAA are the most comprehensive frameworks for the aid effectiveness agenda. However, the PD and AAA are highly technical for most African Civil Society Organizations (CSOs) and consequently, very few have engaged in monitoring, follow up and evaluating them. The upcoming High Level Forum IV, in South Korea, at the end of 2011, presents an opportunity to assess the progress made in the implementation of the PD and AAA and their contributions to achieving development.

With regards to ownership, the PD requires partner countries to exercise effective leadership over their development policies, and strategies, and co-ordinate development actions. In particular, partner countries committed themselves to:

1 OECD 2010:1

Box 1: Key Principles in the Paris Declaration

- 1 **Ownership:** partner countries exercise effective leadership over their development policies and strategies, and coordinate development Actions
- 2 **Alignment:** Donors base their overall support on partner countries' national development strategies, institutions and procedures
- 3 **Harmonization:** Donors' actions are more harmonized, transparent and collectively effective
- 4 **Managing for Results:** Managing resources and improving decision-making for results
- 5 **Mutual Accountability:** Donors and partners are accountable for development results

- Exercising leadership in developing and implementing their national development strategies through broad consultative processes.
- Translating the national development strategies into prioritized results-oriented operational programs expressed in medium-term expenditure frameworks and annual budgets (Indicator 1).
- Lead in coordinating aid at all levels in conjunction with other development resources in dialogue with donors and encouraging the participation of civil society and the private sector.

Furthermore, developing countries committed themselves to set their own strategies for development, improve their institutions and tackle corruption. On the other hand, donors committed themselves to respecting partner country leadership and help strengthen their capacity to exercise it.

Box 2: Indicators of progress on Ownership

Ownership	Target For 2010
<p>Partners have operational development strategies – Number of countries with national development strategies (including PRSs) that have clear strategic priorities linked to a medium-term expenditure framework and reflected in annual budgets.</p>	<p>At least 75% of partner countries have operational development strategies.</p>

Source Paris Declaration 2005

The PD further states that donors and partner countries will be mutually accountable for development results. Partner countries and donors pledged to enhance mutual accountability and transparency in the use of development resources which would help in strengthening public support for national policies and development assistance. Specifically, partner countries committed themselves to strengthening parliaments’ role in national development strategies and/or budgets, and reinforcing participatory approaches by involving a broad range of development partners when formulating and assessing progress in implementing national development strategies. On the other hand, donors committed themselves to providing timely, transparent and comprehensive information on aid flows to enable partner authorities to present comprehensive budget reports to their legislatures and citizens. Thereafter, partner countries and donors committed themselves to undertake joint assessments through existing and objective country level mechanisms to establish mutual progress in implementing agreed

commitments on aid effectiveness, including the Partnership Commitments.

Box 3: Indicators of Progress on mutual accountability

Ownership	Target for 2010
Mutual accountability – Number of partner countries that undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness including those in this Declaration.	All partner countries have mutual assessment reviews in place.

Source Paris Declaration 2005

The **Accra Agenda for Action** (AAA) came up subsequent to the PD, and it contained further commitments on domestic and mutual accountability. The AAA emphasized the importance of transparency and ownership, and linked them to development results. It stressed core accountability principles of answerability and transparency and focused on some of the key domestic accountability actors beyond government, namely parliaments and CSOs. The AAA committed partner countries to having developing countries determine and implement their development policies to achieve their own economic, social and environmental goals. In addition, countries committed themselves to broadening country-level policy dialogue on development by engaging in open and inclusive dialogue on development policies. The AAA agreed on the following actions in pursuit of this:

- a) Developing country governments working more closely with parliaments and local authorities in preparing, implementing

- and monitoring national development policies and plans, and also engage with CSOs.
- b) Donors to build the capacity of all development actors - parliaments, central and local governments, CSOs, research institutes, media and the private sector – to take an active role in dialogue on development policy and the role of aid in development.
 - c) Developing countries and donors ensure that their respective development policies and programs are designed and implemented in ways consistent with their agreed international commitments on gender equality, human rights, disability and environmental sustainability.

The AAA also included greater detail on mutual assessment reviews for mutual accountability, and emphasized the need to draw on emerging good practice with stronger parliamentary scrutiny and citizen engagement. Countries agreed to take the following actions:

- a) Make aid more transparent through enhancing developing countries' parliamentary oversight, implementing greater transparency in public financial management, including public disclosure of revenues, budgets, expenditures, regular public disclosure of detailed and timely information on volume, allocation and, when available, results of development expenditure to facilitate more accurate budget, accounting and audit by developing countries.
- b) Increase efforts to ensure that mutual assessment reviews are in place by 2010 in all countries that have endorsed the Paris Declaration.
- c) Partners would be held accountable for mutually agreed results in keeping with country development and aid policies.

- d) Developing countries and donors would jointly review and strengthen existing international accountability mechanisms, including peer review.
- e) Fight corruption to enhance effective and efficient use of development financing. Donors and developing countries will respect the principles to which they have agreed, including those under the UN Convention against Corruption. Developing countries will address corruption by improving systems of investigation, legal redress, accountability and transparency in the use of public funds.

2 Country context, interpretation and awareness of Paris Declaration (PD) and Accra Agenda for Action (AAA) among stakeholders.

Uganda's National Resistance Movement (NRM) led by President Museveni assumed power after more than two decades of political turmoil and civil war following independence in 1962. On assuming power, President Museveni immediately focused on building legitimacy and raised expectations of increasing public participation, government accountability and improved development outcomes. Museveni's regime attracted high levels of donor support in the 1990s and he was commended for enhancing Uganda's stability and for economic growth and development. Uganda's economy grew at an average of 6% in the 1990s. Initially the NRM promoted 'no-party democracy', arguing that this was necessary to prevent divisiveness of political parties based on ethnicity or religion. Uganda held a national referendum in 2005 which saw the re-establishment of multiparty governance systems. Political parties were allowed to compete in elections. However, despite the shift to multi-partyism, the NRM continues to dominate the political space. Consequently, Parliament's oversight and scrutiny functions are affected by NRM's dominance, although there has been increasing activism by some committees, including the Public Accounts Committee (PAC)². Uganda also has some independent media (including the Daily Monitor newspaper and Independent magazine), a large number of Civil society organizations (CSOs), although most CSOs are focused on service delivery. Uganda also has a number of state accountability institutions, like the Auditor

2 APRM Report 2009

General (OAG), the Inspector General of Government (IGG), and the Ministry of Ethics and Integrity). But there is also a growing perception of the ‘slipping back’ of democratic and political gains, and the ‘political culture of the no-party movement lingers on’³.

The political context of Uganda features the dominance of the President who, under the 1995 Constitution, is Head of State, Head of Government and Commander-in-Chief of the Ugandan Army. The President thereby has great latitude to impose his views and wishes, and override the opposition in matters concerning decision-making relating to transparency and accountability. Uganda also operates a decentralized system of governance where administrative and governance functions were devolved to local government levels in 1993. Administrative and elected positions, budgeting capacity and some revenue collection is undertaken at district level; and service delivery is increasingly implemented through local government, including primary and secondary education and primary health care programs. The political and administrative system runs from village (LC1) up to parish (LC2), sub-county (LC3), county (LC4) and district (LC5). In principle, all levels participate in planning and budget processes (feeding into District Development Plans).

Uganda’s aid architecture mainly comprises of budget support with modality accounted for 46.8% of total inflows in 2006/7. This is followed by investment project assistance (23%) and project technical assistance (16%). There are more than 19 development partners present in Uganda. The largest donors are at present The World Bank, the European Commission, and United States Agency for International Development (USAID), the United Kingdom, Denmark and African Development Bank (AfDB). Among the

3 APRM, 2009: xxxix

medium scale donors are Ireland, Germany, United Nations, Sweden, Norway whilst smallest include donors such as Belgium, Austria, France, Italy and Japan.

Uganda's On-budget donor aid averaged 9.6% of gross domestic product (GDP) between 1990-2000 and 2008/9; while on-budget donor aid as a percentage of total government expenditure averaged about 45.4%⁴. Project aid in Uganda also remains a major source of funding and it has increased as a proportion of aid in recent years⁵. Some of the project aid is provided on budget and using country systems, but a significant proportion of project aid is off budget. Paris Declaration surveys found that the proportion of aid to Uganda using country systems declined from 60% in 2005 to 57% in 2007; and using national procurement systems declined from 54% to 37%. Nevertheless, the quality of Uganda's public financial management (PFM) systems improved in the same period.

Box 4: Uganda's aid modalities

- Budget support - disbursed through the Ministry of Finance Planning and Economic Development (MoFPED) either as General Budget Support (GBS) or Special Budget Support (SBS). Agencies like the World Bank and DFID currently provide GBS; while others like the Swedish International Development Cooperation Agency (Sida) provides SBS.
- On-budget project aid – this may be disbursed through government systems and should be in accordance with the specific sector investment plan and Sector Wide Arrangements.
- Off-budget or off-system project aid – this is aid that does not come through budget support or through country systems. It includes aid provided through vertical funds and through donor project funds. The total amount of this aid is difficult to quantify.

4 Wild and Domingo 2010:4

5 Handley et al., 2010

Regarding interpretation and awareness, the PD evaluation for Uganda found ‘a stark information asymmetry’ regarding awareness and clarity of the Paris Declaration among stakeholders in Uganda. This assessment found out that knowledge of the PD is concentrated in a few individuals who have participated in previous aid effectiveness meetings (local or international). Within government, knowledge of the PD is concentrated within two institutions: the Ministry of Finance, Planning and Economic Development because of its active role in aid acquisition, coordination and management; and the Office of the Prime Minister which is responsible for tracking and evaluating results. PD and AAA are hardly known at the National Planning Authority, within civil society, the private sector; and it is not known in sectors that do not have a Sector Wide Approach. In SWAp sectors where the PD is relatively better known, awareness is confined to top management and technical advisers but tends to evaporate at lower levels (starting from assistant commissioner level downwards). There has not been a systematic nation-wide dissemination plan for the PD; and since it is dually owned by Uganda and the development partners, the PD does not seem to have a definitive driver. There has been no clear line of responsibility for the dissemination of information or inviting civil society and the private sector into the PD-related processes and dialogue at national or international levels. The evaluation notes that even stakeholders that are better informed on the PD would benefit from further work to clarify PD principles and indicators. The meaning of ownership, for example, is perceived to be ambiguous, not attainable in a donor-recipient relationship and above all, at risk of misinterpretation and abuse by country or development partner⁶.

6 PD Evaluation for Uganda- OECD

3 The importance of mutual accountability in development and aid effectiveness

Mutual accountability concerns the two-way relationship between aid donors and aid recipients. The principle of mutual accountability is premised on the assumption that aid donors and aid recipients are mutually accountable for development results and that development resources are used transparently. To enhance mutual accountability, donors committed themselves to providing timely, transparent and comprehensive information on aid flows to enable partner authorities to present comprehensive budget reports to their legislatures and citizens. On the other hand, partner countries committed themselves to strengthening the role of parliaments in national development strategies and/or budgets, strengthen participatory approaches by involving development partners when formulating and assessing progress in implementing national development strategies and ensuring joint assessment through existing and increasingly objective country level mechanisms. Indicators of progress for mutual accountability relate to the number of partner countries that undertake mutual assessments of progress in implementing agreed commitments on aid effectiveness. While no country has yet developed a fully-fledged mutual accountability system, a range of formal and informal mechanisms have been developed to build accountability for aid between recipient governments and donors⁷.

To enhance mutual accountability and ownership, Uganda's Joint Assistance Strategy (UJAS) was designed by seven development partners (DPs) (AfDB, Germany, the Netherlands, Norway,

⁷ Wild et al 2009:5

Sweden, the UK and the World Bank) to communicate a harmonized development financing response to Uganda's development priorities. The UJAS centered on three principles – supporting country ownership, greater collaboration both among development partners and with government, and a focus on results and outcomes. The UJAS contributed to making progress in aligning aid flows with Ugandan national priorities, in coordinating technical assistance and in the use of common arrangements for aid delivery. Furthermore, progress occurred in untying aid, joint analytical work, and in implementing a good practice results framework. However, with UJAS it was noted that aid remained unpredictable and volatile, and that donors sometimes have different priorities from partner governments.

Mutual accountability is important for development and aid effectiveness because of the following reasons. **Firstly**, in line with the PD principles of increasing transparency in aid, regular public disclosure of detailed and timely information on volume, allocation and results of development expenditure facilitates more accurate budgeting, accounting and audit by developing country governments and oversight bodies respectively. Disclosure of timely information on aid further eases the work of civil society organizations that are involved in monitoring government budgets, and ensuring that funds reach the intended beneficiaries and are used for programs that they were intended for. Donors also benefit from information sharing, so that they can better coordinate their efforts, and citizens require information to effectively hold decision makers to account. In Uganda's case, there have been attempts to improve the transparency and information made available by several donors, including through budget support frameworks⁸. This is important both in terms of the Government's access to accurate information

8 Wild and Domingo 2010

on aid flows but also to enable domestic actors to scrutinize aid flows thus linking mutual and domestic accountability goals. Without access to information on aid commitments and disbursements and on how those funds have been used, it would be difficult for domestic actors to hold decision makers to account. However, there are challenges in accessing information because donors do not always provide enough information on aid commitments and disbursements (both on and off budget). The JAF commits budget support donors to disclose information, but at present only the Danish International Development Agency (Danida) is seen as providing comprehensive information on aid disbursements. The budget support framework in Uganda (known as the Joint Assistance Framework) commits donors to establishing an Aid Management Platform, which would be a web-based application to share aid information with donors and the Government of Uganda, searchable by donor, sector, status, region, timing and so on, however it has not yet been implemented.

Secondly, within the country context, information on budgets is required to be shared amongst stakeholders. The 2001 Budget Act, which governs parliamentary scrutiny of the budget process, requires each Minister to prepare and submit to Parliament a Ministerial Policy Statement on budget estimates, including specific information on value for money and the extent to which previous targets were met. Parliament must approve the national budget before MoFPED is allowed to disburse it to the relevant line ministries and implementing agents.

The Paris Monitoring Survey indicators ranks Uganda's mutual accountability as moderate, but there are challenges in the SWAP mechanisms and budget support framework for mutual accountability. These include delays in donor disbursements,

late provision of figures for projects, and the general sense of a ‘one-way relationship’ for accountability, suggesting that donors tend to dominate accountability relationships⁹.

Thirdly, to strengthen mutual accountability, partner countries committed themselves to strengthening parliaments’ role in national development strategies and/or budgets; and reinforcing participatory approaches by involving a broad range of development partners when formulating and assessing progress in implementing national development strategies.

Parliaments have a constitutional mandate to hold the Executive accountable for development expenditures. Parliamentary oversight makes aid more transparent by ensuring it is included in the budget, and better used to produce results. The PD and AAA urged for strengthening the role of parliaments in overseeing development cooperation, with the AAA stating that program and provider country governments would be “accountable to our respective parliaments” and providers would “support efforts to increase the capacity of parliaments to take an active role in dialogue on the role of aid in contributing to countries’ development.” As law makers and representatives of the people, parliamentarians (in theory), undertake their mandate for the good and development of the country. Mutual accountability through parliamentary oversight thereby enables Parliament to undertake their oversight mandate for the development of their constituents.

However, Parliamentary oversight in Uganda is limited by the fact that Parliament lacks the independence, knowledge and resources to perform mutual accountability functions. At present the Parliament is not viewed as a particularly effective watchdog

9 2010:11 Wild and Domingo

and it is seen as marginal in decision making about government activities¹⁰. As earlier indicated, several features of the political context may hamper accountability for aid in Uganda. The dominance of the Executive and of the President is also seen at Parliamentary levels where members of Parliament are expected to pay allegiance to their parties rather than undertake debate or play an objective oversight role. Furthermore, a decision made by the President usually takes precedence over Parliamentary oversight which has led to instances of the executive undermining orders of parliament at will. This led to the recent claims that Uganda is in danger of slipping back into a period of neo-patrimonial rule¹¹.

Within Parliament there are specific accountability committees that scrutinize use of funds by central government, local governments and statutory enterprises. Of these, the Public Accounts Committee (PAC) scrutinizes central government accounts and produces reports (which are debated in Parliament), and can question ministers and officials. The PAC's investigations arise out of the OAG's reports, although it can also receive public complaints. To date the PAC is seen as proactive on issues regarding the misuse of resources. It was recently been involved in high-level investigations, including use of funds received for the Commonwealth Heads of Government Meeting (CHOGM) in 2007. However, the PAC faces challenges in implementing its mandate. These include capacity inadequacies, including institutional technical capacities and the inability to scrutinize annual accounts as they fall due which leads to backlogs¹². In addition, PAC reports are usually subjected to Parliamentary debates in which case debates and decisions are taken on political affiliations rather than on merit, which partly explains why high profile cases arising out of PAC and involving politicians

10 Buse and Booth, 2008

11 APRM 2009

12 APRM 2009

are not dealt with in the manner they deserve. In addition, there are limited linkages between accountability committees and other domestic accountability actors (such as CSOs).

Mutual accountability further mandates developing country governments to work more closely with local authorities in preparing, implementing and monitoring national development policies and plans, and also engage with CSOs. Working with local governments in preparing, implementing and monitoring national development policies ensures that development of national development priorities is undertaken with the consultation of relevant stakeholders, and that national priorities reflect local priorities. Engagement with CSOs also facilitates the ‘citizens representatives’ to provide an input into the development process and ensure that government programs reflect the needs of their constituents.

To date Uganda’s budget process is said to be highly participatory with development proposals originating from parish to district levels, and thereafter, feed into the national budget. However, in practice there is very limited input into the budget process by local communities. Secondly, whereas the budget process is designed to integrate national and district-level budget plans, in practice national priorities are often imposed on local authorities¹³.

Furthermore, there is an increasing focus on local level monitoring and accountability (particularly by CSOs). However, there is a lack of attention paid to how this might intersect with domestic accountability at the national level¹⁴. Moreover, citizens are generally unaware of aid and funding allocations for different

13 Brewer et al, 2008-09:14

14 Wild and Domingo, 2010:12

programs, and where information is provided, it is too technical for citizens to comprehend. For instance, District Development Plans are available, but are difficult for citizens to process and may not be particularly relevant to their day-to-day experiences of service delivery. Where information is available, citizens still need to know where to look.

There is a basic question as to whether accountability can be fully mutual between countries and those providing them with development assistance. There are challenges to ensuring compliance due to the likely imbalances of bargaining power between donors and partner countries. Mutual accountability mechanisms, where they exist, also tend to be weak. Lack of access to information on aid and aid performance limits the ability of either party to be held accountable. Moreover, partner countries have few (if any) mechanisms available to sanction donors for poor performance. Under such circumstances, mutual accountability mechanisms may reflect rather than transform existing unbalanced power relations¹⁵.

15 Wild et al, 2009:5

4 Linkages between mutual accountability and democratic ownership in the aid delivery processes in Uganda

Democratic ownership requires recipient governments to exercise leadership in establishing and implementing their national development strategies through broad consultative processes. When recipient governments set their own development strategies, they take responsibility for their priorities and results, and they ensure that whatever development objectives are identified they fit the local needs and contexts. On the other hand, mutual accountability states that both donors and aid recipients will be mutually accountable for development results, and that donors will provide timely, transparent and comprehensive information on aid flows to enable partner authorities to present comprehensive budgets to parliaments and citizens. Donors provide aid based on a country's identified needs and avail information on aid to facilitate parliament oversight on the use of aid and for citizens to monitor use and effectiveness of aid to the intended beneficiaries. This ultimately supports the capacity of government systems and opens space for greater domestic scrutiny and oversight. Availing information on aid flows facilitates predictability in planning, and the country's expenditure framework would reflect the expected aid.

The government of Uganda prefers General Budget Support (GBS) as this allows for inclusion of aid into budget and policy processes thereby aligning aid to nationally defined priorities. GBS helps to strengthen government systems for managing resources and strengthens domestic accountability, where it allows for greater

oversight by domestic mechanisms, such as state institutions but also parliamentarians, CSOs and ultimately citizens¹⁶. Uganda established processes for managing development partner (DP) projects in the early 1990s and ensured their presentation in the national budget using a development management system. In addition, structures for ownership, alignment and harmonization of aid were established through introducing the Poverty Eradication Action Plan (PEAP), formation of Sector Working Groups and Sector Wide Approaches (SWAs). These innovations resulted in improvements in aid effectiveness and facilitated a significant shift of resources to the government's policy priorities and the subsequent expansion of public service delivery. When the PEAP ended, a National Development Plan 2010-2015 was formulated, and it calls for a Partnership Policy to establish clear roles and responsibilities for government and development partners in delivering aid. The development of a Partnership Policy provides an opportunity for changing the management of aid in Uganda¹⁷.

GBS strengthened accountability between Uganda and donors by providing for improved reporting processes, and opening government systems for domestic scrutiny. In addition, frameworks such as the JAF and the Annual Sector Performance Reports are useful tools for scrutinizing and appraising. The Sector Working Groups and annual joint sector reviews are active forums with participation from key stakeholders. However, there is need to invoke wider participation of different several stakeholders in the annual review processes to give a balanced picture of progress and results¹⁸.

16 Wild and Domingo 2010:10

17 Williamson and Moon, 2010:1

18 Wild and Domingo, 2010:10

As has been noted earlier, Uganda prefers GBS as the main modality for aid disbursement because this allows aid to be aligned to national priorities. However, donors are increasingly using Sector Budget Support (SBS) as a complementary modality for supporting service delivery to GBS and project support¹⁹. It has been argued that SBS provides both opportunities and challenges for accountability for aid in Uganda. On one hand, off-budget project funds have provided much needed additional resources for program implementation and service delivery in Uganda. For instance, PEPFAR is estimated to have contributed around 70% to total AIDS spending in 2006/07. On the other hand, the presence of SBS creates complexities for the aid architecture due to the large number of different donors present. For example, USAID assistance is recognized among stakeholders as being ‘off-budget’. In contrast, some donors (such as UNICEF and WHO) provide ‘on-budget’ funding but use of their resources remain under the control of their respective organizations. However, the prevalence of off-budget project aid which generally use mechanisms outside of budget processes and government systems is challenging for domestic ownership and ultimately, mutual accountability. Mechanisms for off-budget projects involve separate reporting structures and processes, and reporting lines usually flow from the implementing agency back to the donor. In this scenario, there is limited accountability to domestic stakeholders for these funds.

The SBS scenario is compounded by donors’ own politics including their own requirements of traceability and attribution which continue to increase donors’ incentives to maintain some degree of parallel systems. Each donor wants a flag-flying on their investments, on a report to their politicians that is speaks

19 Williamson and Dom, 2010

about the impact of a specific dollar, euro, yen ...²⁰. Some bilateral agencies, such as the United States Agency for International Development (USAID), need to keep their funding distinct in order to adequately respond to Congress on the exact use of tax dollars²¹. Furthermore, decisions on aid modalities seem to be influenced as much by donor domestic politics than by an analysis of local context and accountability issues. For example, there is a perception that weakening support for budget support in the UK will affect DFID's approach in Uganda, demonstrating the extent to which donors' own political dynamics continue to impact programming at country level²².

However, off-budget project aid approaches often do not use country systems and are not easily scrutinized by domestic actors. The creation and use of separate reporting structures and processes provides additional burdens for government and non-government actors, and reporting lines usually flow from the implementing agency back to the donor. Moreover, whereas domestic actors can play roles in scrutinizing resources which pass through government budget and policy processes, aid resources which are separate to this are largely removed from these domestic mechanisms.

4.1 Translating national development strategies into prioritized results-oriented operational programs expressed in medium-term expenditure frameworks and annual budgets.

Uganda's National Development Plan (NDP) provides an overarching framework to guide government's five-year policies and programs. The NDP sets out government's development priorities for approximately five years and is linked to the national budget process. In turn, the NDP informs the Medium Term Expenditure

20 Uganda National NGO Forum: CSOs on Aid effectiveness

21 Brewer et al 2008-9:12

22 2010:9 Wild and Domingo

Framework (MTEF) an annual, rolling three-year plan that sets out expenditure priorities, budget constraints and spending ceilings against which sector and district plans can be developed and refined. The MTEF guides annual budget development.

The PD and AAA stipulate that development of national development programs and annual budgets should be undertaken in consultation with participation of civil society and the private sector. Uganda has a consultative budget framework and a Budget office in Parliament staffed by economic and technological specialists. Uganda's budget preparation process is highly consultative and follows a well stipulated 'Budget Cycle' taking close to nine months. Each year, there are district and national level budget workshops intended to produce local budget framework papers, which are integrated into the national plan. Government has enhanced budget transparency by producing a Citizen's Guide to the Uganda Budget Process which encourages public participation. This guide is available in English and seven local languages. CSOs, especially at national level, participate in Sector Working Groups and provide input into annual budgets. NGO coalitions have consistently provided input into annual budgets. However, there are concerns about the effectiveness and breadth of annual budget consultations at local levels²³. There are challenges in the planning and allocation phases of the budget process at sector and national levels. While the national budget is supposed to incorporate district development plans, in practice they are not linked. Uganda Debt Network (UDN) noted that instead local governments are generally forced to adapt to the national budget plan and national government priorities. In addition, not all participants, particularly communities and CSOs are able to exert much influence on outcomes. At local government levels, community participation in

23 Brewer et al, 2008-09:33

planning, monitoring and evaluation are constrained by the fact that majority of citizens are illiterate and are unable to comprehend the technical language of government documents; they do not know the budget cycle and are unable to identify their entry point. Furthermore, local governments have not encouraged community participation. To compound this, participatory budgeting and identification of budget priorities is not effective at local levels as local governments usually budget for programs that are dictated by the central government. At national level, CSOs participation is hampered by the fact that many decisions are taken prior to consultative sessions.

Domestic ownership through the budget process is hampered by Uganda's failure to execute the budget as planned. There are usually big variations between approved budget figures and actual releases of money in some government agencies. Uganda experiences perpetual supplementary budget expenditures (which are not part of funds approved in the annual budget). Moreover, sectors Public Administration and Security Sectors which usually apply for supplementary budgeting are not directly linked to development strategies, yet they skew funding away from sectors engaged in poverty alleviation 2006²⁴.

4.2 Addressing corruption

Parliamentary oversight and citizen program monitoring is aimed at ensuring that resources reach the intended beneficiaries, and that value for money is achieved. Corruption is an impediment to aid effectiveness because funds do not reach intended beneficiaries and in other cases, there is no value for money in goods and services. Indeed one of the key concerns relating to aid effectiveness is the

24 Brewer etal 2008-09:36

concern about the quality of public service delivery. For citizens, lack of quality service delivery and ineffective program implementation are among the most easily observable and quantifiable experiences of poor performance. Corruption affects the quality of program implementation and service delivery. Under the PD, countries committed themselves to taking action against corruption.

Uganda has made considerable progress in building the legal and institutional framework for fighting corruption and promoting accountability. The legal framework comprises of the Anti-Corruption Act which criminalizes particular acts as corruption and brings the law in line with the United Nations Convention against Corruption; the Leadership Code Act, 2002 which contributes to enhancing accountability by requiring specified leaders to declare their assets; the Access to Information Act, 2005 was also enacted to give effect to the Constitutional guarantees of access to government information thus enhancing accountability. A Special Anti-Corruption Court has been established to try corruption cases. The Whistle-blowers Act was also enacted to provide legal protection for people who provide information on corruption. Laws pending enactment include the draft Anti-Money Laundering Bill whose objective is to criminalize money laundering by providing for measures to detect and prevent money laundering. Principles of the proposed Qui Tam legislation which provide for civil action by a member of the public for the recovery of proceeds of corruption have also been prepared.

Other laws to ensure prudent financial management and accountability include the Budget Act 2001 which established the Budget cycle and timetable; and the framework for adopting and overseeing the national budget, the Public Finance and Accountability Act of 2003 which establishes procedures and

controls and designates responsibilities of key actors in the accountability cycle. The National Audit Act of 2008 which regulates the operation of the Office of the Auditor general.

In terms of enforcement, the government has created several inter-dependent agencies and mechanisms to increase accountability and combat corruption. These include the Office of the Auditor General (OAG), the Inspector General of the Government (IGG), and the Public Procurement and Disposal of Public Assets Authority (PPDA). The National Fraud Squad within the police force's Criminal Investigation Directorate was created to investigate criminal cases of fraud. The Directorate of Ethics and Integrity in the Office of the President coordinates government and NGO efforts to combat corruption and has produced a draft "National Anti- Corruption Strategy 2008-2013." In July 2008, the Ugandan parliament proposed a National Book of Shame in the 2008

However, despite the existence of an impressive legal and institutional framework, corruption in Uganda is perceived to be on the rise. Ugandans perceive corruption to be more rampant than it was five years ago²⁵. The African Peer Review Mechanism 2009 states that Uganda's efforts to fight corruption have had missed results. Corruption occurs at all levels of government and includes bribery, embezzlement, grand corruption, nepotism, and rent-seeking behavior. Most corrupt institutions are traffic police, general police and the judiciary²⁶.

Uganda's 2008 Transparency International corruption rating fell from 2.8 to 2.6 out of 10 after rising slightly in 2007. Uganda's worldwide corruption ranking also dropped from 111 to 126 out of 180 countries. The ineffectiveness of anti-corruption efforts

25 TI 2009; TI 2004

26 National Integrity Survey 2008

is attributed to the lack of capacity and political will to enforce anticorruption legislation, public acceptance of corruption, and the lack of public knowledge regarding available recourse. The President has also set up several commissions and taskforces to investigate corruption. However, findings of the commissions are not usually acted upon. For instance, a Presidential Taskforce on Medicines was established to investigate leakages of medicines. However, the taskforce has not been institutionalized, as it is not linked to key law enforcement agencies for follow up. This raises concerns about its sustainability.

4.3 Addressing human rights

Uganda's Constitution of 1995 contains elaborate provisions for protecting people's civil, political, social and cultural rights. These provisions are modeled from the Universal Declaration of Human rights and the UN Convention on Civil and Political Rights. Government has made some effort to advance people social and cultural rights through programs like Universal Primary and Secondary Education, although the quality of such education continues to be questioned. Government progress in achieving other rights like access to quality health care continue to be hampered by poor health services especially at local levels. In addition, Uganda continues to experience difficulty in advancing respect for human rights especially in matters concerning civil liberties and torture.

Uganda has also demonstrated intolerance to opinions that paint a negative picture of the establishment. The country has seen drawbacks in government's tolerance for freedom of speech and expression. The media is a key sector in publicizing accountability gaps and highlighting issues to be addressed by government thereby playing an active watchdog role on key issues. The media in Uganda

has been responsible for bringing major corruption scandals to the attention of the public. However, the media has borne the brunt of government's efforts to limit freedom of expression and is increasingly subject to significant political pressures. These pressures have taken form in proposed additional constraints on media outlets put forward in a recently tabled communications bill, known as the Press and Journalist (Amendment) Bill 2010 which seeks to create a new Media Council, and ensure that in order to obtain a license, publishers show proof of the existence of adequate technical facilities and regarding the social, cultural and economic values of the newspaper. Licenses will be potentially open to be revoked in the interests of national security, stability or unity. These proposed amendments will limit the ability of media houses and particular journalists to act as a watchdog on issues seen as politically sensitive. As a result, many media houses and personnel have practiced self-censorship in capturing key accountability news and issues.

5 Mechanisms, processes and structures that demonstrate CSO involvement in aid effectiveness

In the AAA, donors and developing country governments commit to deepening their engagement with CSOs. Consulting CSOs provides local and contextual information that helps identify politically sustainable and legitimate economic growth policies and also enables validation of government priorities and results of program implementation. Furthermore, increasing the range of local stakeholders in the development process bolsters country ownership. CSOs promote aid effectiveness through representing citizen interests by demanding results thereby improving government accountability to aid beneficiaries. CSOs can also create or enhance an environment conducive to economic growth and can assist in maximizing aid effectiveness²⁷. CSOs also promote aid effectiveness through utilizing their local knowledge by helping develop country-specific evaluation indicators that improve project monitoring and evaluation²⁸. Others fill gaps in the provision of services while others advocate on a range of pertinent development issues. Uganda has over 2000 registered NGOs and a range of other Community Based Organizations (CBOs) and CSOs but only a few such organizations consistently work on issues of aid effectiveness²⁹.

To promote domestic ownership, CSOs participate in SWGs and budget processes. The process of setting priorities and determining

27 Brewer et al, 2008-9:6

28 Brewer et al, 2009-9:10

29 Examples include The Uganda Debt Network (UDN) and Centre for Development Initiatives (CDI), Research and Development Training, NGO Forum, Action Aid Uganda.

allocations is led by government ministries, but involves mechanisms for civil society involvement. At local government levels, there are provisions for citizens to participate in budget processes and at national levels, there are provisions for CSO participation in sectoral policy advisory committees, joint performance reviews and relevant technical working groups. Thereafter sector budgets are consolidated into the national budget in accordance with the national priorities as set out in the NDP. The consolidation process is led by MoFPED, but includes an initial phase of review by Parliament, culminating in the submission of recommendations to the President and Cabinet on the contents of the National Budget Framework. A number of CSOs under the Civil Society Budget Advocacy Group (CSBAG)³⁰ undertakes annual analyses of the Budget Framework paper to assess the extent to which the budget addresses poverty reduction concerns. CSOs, led by the UDN, have pushed for and achieved reforms in the budget arena. The Ministry of Finance and the Ugandan Committee on Budget have increased the government's outreach and encouraged greater CSO participation in budgeting. Examples of CSO participation in budgeting can be summarized as follows:

- UDN launched the Budget Advocacy Initiative in 1999 to mobilize Ugandan citizens to advocate for pro-poor budget policies and monitor public expenditure. UDN works with other CSOs to increase budgetary awareness in communities.
- Forum for Women in Democracy (FOWODE) convinced government to start gender budgeting. More specifically, FOWODE helped the Ministry of Finance develop gender and equity guidelines for the government's budget.
- Action for Development (ACFODE) has achieved influence in the Ministry of Women in Development. ACFODE conducts

³⁰ Includes the Uganda Debt Network, Forum for Women in Democracy, ACODE, NGO Forum, ACTADE and Action Aid Uganda

research and provides the government with information on how to achieve greater gender equity in local budgets.

- The Uganda Manufacturers Association (UMA) submits budgetary proposals to the Ministry of Finance during the drafting stage of the budget. Additionally, all upcoming bills are sent to UMA for comment before they are debated in Parliament³¹.

5.1 CSO Monitoring and Evaluation of aid effectiveness

To promote aid effectiveness, CSOs undertake analysis of government programs and policies to assess the extent to which the policies and programs benefit the population, especially the poor and marginalized people of Uganda. CSOs also undertake lobbying and advocacy for pro-poor policies and programs. At local government levels, the CSOs are involved in local government planning and monitoring transparency and accountability in service delivery. The CSOs have been instrumental in highlighting the quality of service delivery and pointing out areas for reform. Some CSOs in Uganda are encouraging local communities to monitor development projects to ensure that they are completed as planned. The majority of monitoring is performed on government funded projects. However, CSOs note that local citizens do not appreciate the fact that they are beneficiaries of development projects and that they should take interest in the implementation of development projects. In addition, government is often unwilling to act on CSO monitoring reports. Specific cases of civil society monitoring are discussed below.

- UDN works with community monitors to increase citizen monitoring of budgetary expenditures at the district level. UDN

31 Brewer et al, 2008-09:37

established the Community Based Monitoring and Evaluation System as a tool, which monitors can use to evaluate service delivery at the local level and influence budgetary policies at all levels of government.

- The Kabarole Research Centre (KRC) encourages communities to monitor development projects and the provision of education. In 2006, DFID funded a project run by KRC's Poverty Resource Monitoring and Tracking program which encouraged parents, teachers and local leaders to evaluate the problems faced by local schools, develop solutions, and monitor their progress. These efforts helped lead to dramatic improvements in test scores.
- Local Councils also help monitor development projects, sometimes in conjunction with CSOs.

5.2 CSO Anti-corruption Work

CSO efforts to combat corruption have focused on increasing CSO involvement in the budget making process, increasing community awareness of corruption and tracking government funds as they move from national to local levels. CSO campaigns contributed to the establishment of a national plan against corruption and passage of the Access to Information Act in 2005. Specific instances of CSO anti-corruption work are highlighted below.

- Transparency International identifies and works to close loopholes in government systems, which provide opportunities for corruption.
- The Anti-Corruption Coalition (ACCU) works with volunteers to monitor and report instances of corruption. ACCU's anti-corruption efforts on the availability of essential medicines culminated in government action to label essential medicines

so that they are not pilfered from government health units.

- The Apac Anti-Corruption Coalition has investigated cases of corruption in Apac and forwarded evidence to the police and Courts.
- The anti-corruption coalition has undertaken citizen arrests of local government officials who are alleged to be corrupt and handed them to law enforcement agencies.

CSO participation can thereby enhance aid effectiveness through reducing corruption citizen monitoring, improving governance by fostering greater citizen demand for access and voice, institutionalizing accountability processes through legal and policy reform, and increasing the longevity of policy reforms through increased community ownership³².

In terms of CSO engagement with direct participation and monitoring of the PD and AAA, a CSO Aid Platform comprising of CSOs working in aid issues was established to realize a vision of a Uganda where aid responds to true development aspirations of citizens. Its main objectives include research and analysis, capacity development, networking and collective action and domesticating the Aid debate. The activities of the CSO Aid platform are coordinated by the National NGO Forum which is a member of the Partnership Policy task force whose main objective is to strengthen Aid management in Uganda in a more contractual and accountable relationship among the partners through development of an aid policy. To date the CSO Aid platform has endeavored to evoke collective thinking of CSOs in Uganda around the aid and development effectiveness discourse and to stimulate CSO participation in this process at national, regional and global level. Specifically, the CSO aid platform has discussed issues relating to:

32 Brewer etal, 2008-09:16

- (a) The content and issues in Uganda's aid agenda and their relationship to development and poverty eradication objectives.
- (b) How CSOs engage on the aid discourse/development finance issues – examining past, present and future roles.
- (c) Agreeing on an approach/collective strategy for future engagement in the aid and development effectiveness process.

However, CSOs identified challenges in participating and influencing the donor and recipient country meetings relating to aid effectiveness. Firstly, CSOs note that the PD was a resolve of ministers of developed and developing countries and heads of multilateral and bilateral development institutions. In this situation, CSOs had to fight tooth and nail to get anything in documents like the AAA, which submissions were ignored till some of the last drafts. At local level, aid debates stay in closed circles of those who ever talk to donors³³. Agencies like the IMF and World Bank have made efforts to undertake talks with CSOs about aid effectiveness but CSOs note that these discussions are not undertaken in a structured way. CSOs do not see the impact of these meetings, or whether these meetings will change anything in terms of the way donors conduct business with government. Other external and internal factors limiting CSO participation in aid processes include limited space to engage, lack of access to information, donor-dominated agenda (s) and vulnerability to foreign funding³⁴ and donor priorities which are not necessarily related to monitoring the PD or AAA. Lwanga Ntale further argues that the current tendency is to think of aid effectiveness in terms of enhanced partnerships between donors and recipient governments, while relationships with non-state actors are conceived primarily as those of service provision or at best as supplementary³⁵.

33 Uganda National NGO Forum (CSOs and aid effectiveness)

34 Lwanga-Ntale, 2008

35 Lwanga-Ntale, 2008

In addition, the institutional channels for accessing policy formulation on aid issues are not so open. Aid contracting is overseen by both MFPED and the Central Bank, the two institutions invariably collaborating with especially IMF and World Bank and with bilateral donors to set parameters for macro-frameworks. There is no agreed set of ideas regarding how aid issues should be discussed or handled³⁶. SBS arrangements also hinder CSO participation in monitoring program implementation or having input into the effectiveness of such aid.

36 Lwanga-Ntale 2008:4

6 Recommendations on how donors and recipient countries can improve accountability and domestic ownership throughout the aid system.

- Examining the actors, mechanisms and information flows around different aid modalities in Uganda allows for identification of key trends. Overall, the evolution and dynamics of accountability systems around aid depend on the political contexts in a given country. In Uganda, donors must take into account the dominance of the executive and its impact on decision-making and accountability, especially by Parliament.
- There is limited knowledge about the PD in Uganda. There is need to increase public awareness about the provisions of the PD and AAA so as to enhance domestic accountability for aid effectiveness.
- To ensure effective implementation of the PD and AAA, there is need for donors to make effective commitments to avail information on a regular basis, especially to civil society and the media so that they can hold government accountable for program implementation and service delivery.
- Development partners need to create modalities for availing information on Sector Budget Support to enable scrutiny by domestic actors.

- There is a widely held misconception among donors that the PD is about disbursing all aid through the budget support operation. Donors should take into account the need to consider keeping a share of aid outside of government systems to support constituencies that hold government to account (including the Parliament, Auditor General, CSO and media).
- Aid recipient governments need to create systematic modalities to facilitate CSO participation in aid issues. CSOs are marginalized in aid process and there is no forum for them to provide an input at aid contraction discussions.

Methodology

The primary data for this report was collected with the aid of survey questionnaires, focus group interviews and unstructured interviews. Secondary data was collected from existing records or sources which include statistical records, published books, government monetary, fiscal and debt regulatory organs and published annual accounts statements and reports.

Study limitations

The study was constrained by the following:

- i) Government officials (civil servants) were not too keen to comment on the issue because of the oath of confidentiality which they have sworn to uphold or abide
- ii) Non availability or grossly inadequate national record keeping of statistical data (that is secondary statistical data) on aid inflow from both emerging and traditional donors to Uganda. Consequently, this made it impossible to lay hands on secondary statistical data for model building or graphical or tabular analysis to substantiate findings emanating from documented literature or secondary data sources.
- iii) Civil Society Organizations were widely scattered all over Uganda and that made it difficult to get across to a large number of them for their response.

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