



**INFOC UGANDA**

**Inter-faith based Action for Ethics and Integrity**

**INFOC-PTF PROJECT COMPLETION REPORT**

**MONITORING OF PUBLIC PROCUREMENT AT LOCAL LEVEL.**

**Submitted**

**To**



**PARTNERSHIP FOR TRANSPARENCY FUND (PTF)**

**FEBRUARY 2013**

**Project Sum Granted US \$ 30,000**

**Funds received US \$ 27,000**

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## INFOC UGANDA PROJECT FOR MONITORING OF PUBLIC PROCUREMENT

### Project Background

1. The INFOC Uganda project to strengthen citizens' monitoring public procurement at local level was funded by Partnership for Transparency Fund (PTF). The project commenced on the 20<sup>th</sup> of November 2011 and concluded on 24<sup>th</sup> of December 2012.
2. The project aimed at developing a universally acceptable model policy to formalize citizen's participation in NAADs procurement planning and budgeting process in Bubaare and Vurra Sub Counties.
- 3. The project objectives included;**
  - Increase numbers of civil groups pro-actively and effectively monitoring public procurement budgeting process by 12.
  - Enhance citizens' value assessment skills to cause realistic procurement budgets.
  - Increase local government responsiveness to the concerns and demands of people.
  - Increase budget transparency in the public procurement process at local level.
4. INFOC Uganda was given a support of US \$ 30,000 (United States Dollars thirty thousand) and made a counterpart funding of US \$ 3,043 (United States dollars three thousand forty three)
- 5. The expected outcomes included;** reduced budget leakages following public expenditure tracking, stronger collective voice demanding for public accountability and anti-corruption; increased transparency translating into reduction of corruption in public procurement; registered public savings from realistic public budgets; increased efficiency due to compliance to public policy on profit and interest margins in public procurement; traditional calendar of events for budget cycle and tools to apply in order to monitor and assess the effectiveness of model process of citizens' participation in budget implementation; increased Government responsiveness to bigger voice for collectively advocating for corruption free public procurement.
- 6. Project management**

INFOC Uganda was the central coordinating secretariat and through its' members; the Uganda Catholic Secretariat delegated CARITAS ARUA and the Church of Uganda assigned the Diocese of Kigezi the Boys' and Girls' Brigade / PDR departments to coordinate the district activities.

The Executive Oversight Committee held two (2) planning meetings and 2 quarterly project review stakeholders' meetings were held and attracted at least 25 participants as planned. The policy issues papers were discussed at the latter meetings.

The Project Director and Finance officers played the monitoring and evaluation roles.

District Technical meetings (DTC) were launched to link District Local Government to the Sub County – SMTs. DTCs are advocacy forum for collective decision making on a tripartite arrangement.

The Sub County Monitoring Teams organized and held the 4 Community days for information sharing and consultative participatory forum on the 1<sup>st</sup> and 20<sup>th</sup> July 2012; . The key output at this stage is the Local community issues inventory for Government answerability to the populace.

### **Uganda Political Power flow structure**

1. Central Government – National cover
2. District Local Government – Average 500,000 people per district
3. Sub County – Lower Local Government – Average 35,000 people per Sub County
4. Parish – Village level – Hundreds of people

A baseline survey was conducted to inform the stakeholder mapping exercise. The Secretariat sought technical support from the Line Ministry of Agriculture/NAADs and professional body Uganda Law Society. Community based organizations were reached to interest them to participate and sustain the initiative to strengthen monitoring Agriculture/NAADs procurement.

INFOC (U) promoted gender equity; all 13 community based procurement monitoring groups are dominated and women led to enhance a rights based approach to community development.

A structure was in place linking all levels of operation and advocacy. The Sub County Monitors fed the District Technical Committee (DTC) a tripartite based forum; which addresses the policy issues jointly with citizens' and local government representatives.

## **7 Activities Implemented**

### **7.1 Consensus building – Mobilization, Planning, Orientation and Inception**

The mobilization and orientation outreach affected at least 1000 people and attracted 150 who actively participated in the initiative to Strengthen Citizens' Monitoring NAADS Procurement in Arua and Kabale districts; specifically piloting in Vuura and Bubaare sub counties.

#### **Inception meetings**

The multi – stakeholders' inception meetings were held on the 18<sup>th</sup> and 25<sup>th</sup> of January 2012 in Kabale and Arua Districts respectively attracting (70) key stakeholders. The institutions represented included the line Ministries, CSOs, Local governments both technical and political officers. The key stakeholders' understanding of the shared responsibility to address the outstanding problem and solutions offered by the proposed initiative was enhanced. The major task was discussion of the baseline survey findings and issues inventory to propose the corrective strategies to Local Government in response to the people's demands.

The key outputs included strategic policy reforms, terms of reference for implementing partners and project implementation plan.

**Capacity Building** - The inception meeting agenda was strategically designed to empower the state actors on the linkage between values and public accountability, significance of state and non state actors engagement, social accountability mechanisms and tools to include the significance of citizens' forum Barazas, significance of standards through application of Clients/Citizens Charters, Role of the Directorate of Ethics and Integrity and the value addition of the social accountability mechanism Anti-Corruption Public Private Partnership (ACPPP).

### **7.2 Baseline Survey**

The survey essentially established citizens' knowledge and awareness of NAADS procurement process, mechanisms for public participation and 3<sup>rd</sup> third party procurement monitoring. It was essential to establish the current communication and information flow channels under NAADS program.

**Scope - The** baseline survey was conducted in 2 sub counties; one in each of the districts. Vuura and Bubare Sub Counties were selected because the social accountability forums - pilot Barazas were launched there. Vuura Sub County is located in Arua district, Northern Uganda with a population of 38,000 people in 84 village cells. Bubare Sub County is located in Kabale district, South Western Uganda with a population of 30,000 people in 88 village cells. The project team applied purposive sampling of respondents because monitoring of public procurement does not involve all community members but a selection of them with relevant roles and contribution to

the process. The desk review research involved reading of 47 reports and NAADs related publications.

The NAADs Village Procurement Guidelines 2011 had gaps in checks and balances to regulate some of the challenges of conflict of interest and conspiracies thus undermining the good intention. This has resulted into corruption as reported by the local NAADs authorities. This justified the timeliness of the project.

#### **Policy Issues inventory reflected need for:**

- i. Separation of Powers and conflicting roles
- ii. Policy on Service Users Accountability
- iii. Reduction of NAADs Procurement Transaction costs
- iv. Introduction of Bye Laws to close gaps in Legal framework
- v. Harmonization of the Diverse Laws, Policies, and Monitoring tools applied
- vi. Policy on mandatory development of Sector Anti-corruption strategy
- vii. Enforcement of Policy on publicizing of procurement information beyond local government notice boards and print media is limiting Policy on Suppliers Eligibility

### **7.3 Resource Material and Tools Development**

Two experts in Agriculture/NAADs procurement, production and law volunteered to offer technical support to raise local contribution of US \$ 3,000 towards the project and covered INFOC contribution of 10% towards the project.

There was a change in the planned content following the need to repackage the training material since the community monitors had no prior training in monitoring public procurement. INFOC had worked on an assumption that a refresher course would be given to sharpen existing monitor's skills so as to divert their focus to monitoring public procurement. Civic education resource notes on Democracy and Social accountability were considered as basic need to prepare local communities for civic duties. 100 copies were printed for application during the capacity building phase.

One thousand copies of the baseline survey report and third party monitoring tool were printed as opposed to the targeted 3000 copies output. The variation was due to the error of omission and under budgeting and incidence of the double digit inflationary rate.

The resource material package covers the topics of study on citizenship, monitoring, evaluation, data collection and validation, Government and Civil Society collaboration, Public Accountability and Anti- Corruption, Citizens Participation in Public Procurement process, Rights Based Approach to Community Development Planning and Budgeting, Social Accountability Mechanisms and Tool, Public Expenditure Tracking, Social Auditing - Third Party Monitoring /Participatory Rural Appraisal, Suppliers management monitoring and Advocacy and Communication Skills.

## 7.4 Capacity Building.

INFOC survey team did not find existing community based procurement monitoring teams. 13 New local community teams were composed and trained to form empowered procurement monitoring groups. This caused a shift in the training package content to deliver in set for 16 hours long since we shifted from offering a refresher to introductory training course.

This greatly affected the planned timeframe due to the need to increase time allocation for the group formation through follow up visits & training. The training started with the initial allocation of 3 days and continued with backstopping field practical training focused on delivery of monitoring, tracking funds expenditure, participatory budgeting, and feedback and advocacy skills throughout the year. Indoor training sessions were held at Vurra Catholic church in Arua District and Bubare Church in Kabale District.

**Gender Equity** - Women led community procurement monitoring groups were formed to enhance women leadership development; Agriculture/NAADs program affects women most (80%).

The Leadership Development to produce Trainers of Trainers in NAADs procurement monitoring was a big challenge because public procurement transactions have long technical paper trails and majority of the trainees did not have minimum required absorption capacity to become competent in a mini training course. The participatory and illustrative methods of training were applied to meet this challenge but evaluation revealed the participants' level of understanding was low. This resulted into a reduction of participants who dropped off on the 2<sup>nd</sup> day of training, leaving us with composition for only 13 instead of 16 groups that had been established in the initial stages.

The training package covered topics to include; citizenship, monitoring, evaluation, data collection and validation, Government and Civil Society collaboration, Public Accountability and Anti- Corruption, Citizens Participation in Public Procurement process, Rights Based Approach to Community Development Planning and Budgeting, Social Accountability Mechanisms and Tool, Public Expenditure Tracking, Social Auditing - Third Party Monitoring /Participatory Rural Appraisal, Suppliers management monitoring and Advocacy and Communication Skills.

## 7.5 Participation in Budget Conferences and Public Expenditure Tracking (PET)

Vurra Sub County organized and held the Budget conference. The community procurement monitors nominated representatives through a consultative meeting attended by 100 members to prepare for the Community Days and participation in the Budget conference was held on the 12<sup>th</sup> of the February 2012 at Vuura Church.

The Vuura Sub County budget conference was held on the 15<sup>th</sup> of February 2012. Participatory budgeting training was delivered through backstopping services to sharpen value assessment skills.

**DTC meetings, Community Days and Sub County Budget conferences** were organized and held to offer Local authorities an opportunity to present the budget for FY 2012/2013.

NAADs Funds Expenditure tracking training session was undermined by incomplete data and breaks in PETs cycle. The Sub County core procurement monitoring teams SMTs conducted PETS to inform the anticipated Bi-Annual Barazas. The Kabale LC V to release information by 3<sup>rd</sup> of January 2013 and Arua has not procured for the last two quarters of FY 2012/2013 leaving us without much success to establish impact targets. Budget leakages and profit interest margins could not be established to compare the effect of the procurement process due to failure to timely access price catalogues and actual procurement reports in both districts.

The PET registered the following setbacks suffered in Vurra Sub County Arua district. Enterprise and beneficiary selection was late; Procurement committees were not constituted yet; 1<sup>st</sup> and 2<sup>nd</sup> Quarter funds were released in late August and October 2012 reportedly dry seasons. The Chief Administrative Officer (CAO) confirmed that the NAADs financial management guidelines allow the funds to be kept on the account for as long as one year. This is based on the Annual Accountability policy under NAADs sector.

The issues inventory are presented and discussed on Community Days then forwarded to District Technical Committee (DTC) that brings together people with authority, roles and responsibilities to cause the demanded reforms.

## **7.6 Community Awareness Program designing**

A Community Awareness Program was designed to guide the publicity program to improve the awareness indicator. The baseline awareness indicator in both districts was only a tenth (11.8%) of the people that participated in the poll knew the NAADs procurement process.<sup>1</sup> Four (4) Community days attracted at least 1000 altogether.

The Community walls were placed at the sub county. The urban center wall stickers are used as mobile community mobilization tools in different capacity building and awareness raising forum.

The awareness processions were held on the same day of the launching of the sub county community walls. 1000 info leaflets were distributed to take the message further than the event center. In Arua the mobile public address went around the local area. A BBGBU

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<sup>1</sup> Baseline Survey report on NAADs Public Procurement: INFOC Uganda 2012



Brass Band was hired to attract attention to the message of participation in monitoring NAADS procurement led the procession in Bubaare Sub county.

**Quarterly Press conferences** – Public activities were organized as Media events that climaxed with press interviews to publicize policy issues advocacy.

**4 Banners were printed** both in English and local language and displayed.

The message for the community wall was developed and translated into local language too. The Procurement planning and budgeting cycle illustration was the message.

## 7.7

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### **Advocacy – Project Issues paper review meetings and National Accountability Advocacy Forum**

INFOC Uganda advocated for Bye laws and secured clearance for district ordinances. This is the biggest plus of the pilot project promising some sustainability of our initiative. The NAADs organization has developed a Good Governance and Anti-Corruption Strategy which reduces the list of demands presented for action.

The advocacy cycle started with the baseline survey to establish facts on ground to inform the Policy Issues inventory development process which was presented at both the district and national levels. The District Technical Committees (DTCs) advocacy forum was launched on 7<sup>th</sup> and 26<sup>th</sup> June 2012 in Kabale and Arua districts respectively. The policy recommendations were adopted at the district inception meetings and later at the Issues Forum at National level; during the project review presided over by the Hon. Henry Banyenzaki Minister of State for Economic Monitoring – Presidents Office and Executive Director of NAADs organization Dr Samuel Mugasi.

Some of the key stakeholders that participated in either of advocacy forum held on June 20<sup>th</sup> , 5<sup>th</sup> of September, 6<sup>th</sup> and December 17<sup>th</sup> 2012 respectively included Ministry of Public Services, Office of the Prime Minister, Uganda Law Society, ACMC members, The Ministry of Public Service; CARITAS – Uganda Catholic Secretariat, Planning Development and Rehabilitation – Church of Uganda; Bahai External Affairs Office; REEVS International Consult; Media For Peace and Religious Tolerance, Boys and Girls Brigade of Uganda, The Africa Council of Muslims’, AYLHD, Steadfast for Youth, UBC, New Vision Paper and INFOC secretariat staff.

#### **Other changes caused:**

**Third (3<sup>rd</sup>) Party Monitors** be fully recognized in the NAADS Guideline Policy so it should be emphasized because it renders NAADS follow up easier.

The Procurement committee members found guilty of **conspiracy and conflict of interest** should be expelled.

Black listed poor quality suppliers' certificates to be cancelled.

**Untimely supply:** Suppliers to be given deadlines

**Community Information walls:** The local community members recommended the initiative of community information walls be introduced to other parishes. The community members are expected to contribute towards painting and site costs.

**Recovery policy enforcement:** Farmer beneficiaries are to sign legally binding agreements to ensure that they pay back.

INFOC Uganda is currently advocating for translation of Barazas Citizens Fora to have a component of Citizens Juries mandating people to exercise their power and decide on disciplinary measures against public officials that violate standards of public resource management.

The monitors have not presented NAADs procurement monitoring reports at any Baraza forum yet. Office of the Prime Minister (OPM) in charge of steering the institutionalization of the Barazas' is undergoing an inquiry into use of DFID donor funds.

INFOC Uganda is preparing a concept paper to apply to offer the service since we had offered the technical knowhow to Government, facilitated organization of the pilot Barazas and developed the National roll out plan that was under implementation.

## **8 Results achieved;**

The number of civil groups monitoring NAADs procurement processes increased by 13 composed of 7 members' beyond the targeted teams.

Capacity Building sessions improved the quality community monitors to effectively influence procurement decisions at lower local government level. Multiple training sessions were held to enable procurement monitors effectively conduct PETs to track NAADs funds in order to reduce budget leakages.

The NAADs Community Procurement Monitors' acquired value assessment skills for negotiation of realistic procurement budgets.

Registered public savings from realistic public budgets increased efficiency due to compliance to public policy on profit and interest margins in public procurement

The local government responsiveness the concerns and demands of people is exhibited by the LGs acceptance to have Ordinances developed informed by the local community members recommendations.

Stronger collective voice demanding for public accountability and anti-corruption has generated government responsiveness to collective citizens' demand.

The lower local governments currently recognize the role of the community procurement monitors in the entire process thus increased Open NAADs procurement budgeting.

## 9. Challenges

- The procurement delays in Vurra Sub county and absenteeism of NAADs Coordinator at Bubaare Sub County caused the time loss of 2 months in the implementation calendar delaying completion of project in vain negatively affecting the impact evaluation of our work due to failure to access required information to measure indicators.
- The community monitors unmet expectation of earning is negatively affecting the quality of their input and commitment to implementation of independent community oversight initiatives.
- The challenge faced is that the walls in the city are hired out. Acquiring free public information walls in urban centers has not been achieved yet. INFOC had assumed free access so the wall hire budget component was overlooked.
- The majority of the registered community monitors capacity to monitor public procurement specifically NAADs is still very low affecting the quality of their input and commitment to implementation of independent community oversight initiatives too.

## 10. Sustainability Measures

- a. The District Ordinances are a scale up replication tool.
- b. World Bank is interested in the application of INFOC Agriculture Contracts Monitoring Tool based on our work in this pilot project. We have secured a quick win fund of US \$ 10,000 to sharpen the tool.
  - **Recognition and Motivation of Independent Monitors** - the secretariat devised means of increasing ownership and motivation to enhance sustainability of the initiative after INFOC Uganda pulls out. The secretariat designed certificates to recognize and create the community monitors' legitimacy and answerability structure.
- c. The Baraza offers opportunity for public performance review twice a year. This is the justification for community days that will opportunity for sharing procurement plans and budgets to prepare them to receive public performance reports at Barazas.

## 11. Lessons learnt

- The final project agreements should be signed after conducting baseline surveys to accommodate current findings from the ground.
- INFOC Uganda will register networking partners that have applied and expressed interest and commitment through allocating time to integrated project activities in their work plans
- Only existing organized community groups will be given capacity to sustain their ongoing program other than regrouping new ones.

## 12. Impact Assessment

1. Sub County Officials are currently careful in budgeting and tendering process due to increased participation of community monitors.
2. The media coverage goes a long way in creation of the policy issues awareness. 6 Civil Society Organizations' contacted INFOC Uganda for partnership on proposal to form consortium to share our modal of people participation in monitoring and advocacy following the coverage viewed on National TV and print media.
3. The NAADs Organization has developed a Governance and Anti-Corruption Strategy and is considering formalizing a harmonized approach to monitoring NAADs at National level too.
4. The Directorate of Ethics and Integrity adopted the issues inventory at the inception meetings for further policy reviews at IAF level. INFOC was invited to participate and present a paper at IAF review workshop.
5. The Office of the Prime Minister took interest and responded to the Issues paper shared. The issues paper informed the NAADs inquiry team that was dispatched to the districts for further investigations.
6. The gap between the local authorities and local community members is reducing and public confidence to engage and demand for answerability increased.
7. Local people appreciated the timely intervention after indicating that they had resigned and withdrawn from NAADs affairs due to corruption under NAADs sector. This followed the level of budget transparency exhibited at the community days. The local people gained confidence to demand for answerability after realizing had space to communicate what they need and ask for explanation at the Community Day and the Budget conferences.
8. The local people are demanding expanding of the scope of operation to other sub counties already.

### **13. Action Points**

1. Executive Committee approve audit report and forward to PTF
2. Sharpen Procurement Contracts Monitoring tool for application by other sub counties in the pilot districts and Agriculture Contracts Monitoring Cluster members.
3. Mobilize resources to conduct wider public consultation and publicity campaign of Bye Law /District Ordinance content to reach more community members.
4. Disseminate Completion report
5. Endorse Integrity Pacts and MOUs
6. Disseminate Effective Joint Monitoring and Public Accountability Strategy
7. Update Website with all project reports and activity photos
8. Delays in sub county NAADs procurement denied INFOC opportunity for satisfactory impact assessment. Host PTF Evaluation team may find a better impact assessment report.

## Summary Financial Project Accountability

Project planning committee meetings - mobilize the stakeholders – exco / orientation meetings		
	1,400,000	1401500
Orientation of stakeholders		
	6732000	6461000
Baseline survey		
	6588000	6115400
1-Policy draft / 2-Tools / 3-Resource material development		
	14150000	13677000
<b>CAPACITY BUILDING</b>		
Inception meeting		
	1210000	1872000
Sensitisation of state partners		
	1250000	800000
Capacity building - non state actors		
	4600000	4048000
Single expense for activity 1,4;1.5;1.6		
	6508000	5159150
Quarterly Project review meeting		
	2020000	2630500
Publicity Awareness Raising		
	2280000	1730000
Procurement Budget Tracking, Feedback and Advocacy		
Participation in Budget Conferences		
	10288000	8176100
Public procurement expenditure tracking		
	6188000	6013800
Citizens Accountability National Policy Forum		
	8298000	6112800
Program Management - Facilitation		
	14400000	12412050
Bank Charges		
		139520
Total		<b>76748820</b>
Accruals		<b>9163000</b>
	<b>85912000</b>	<b>85911820</b>

ATTAINMENT MATRIX	Indicators of Success	Remarks
<p><b>Goal:</b></p> <p>Corruption in public procurement at local level reduced.</p>	<p>Target - Budget leakages reduced by 2 % -</p> <p>Target Cost budget inflation reduced by 5 % -</p>	<ul style="list-style-type: none"> <li>• Vurra Sub County in Arua District has not procured for NAADs supplies the first two quarters of financial year 2012/2013.</li> <li>• 25% Price Inflation rate reduction registered – Using same example as per profit/interest margin issue - The price of NAADs treated beans has been reduced from Ug sh 6000/= at baseline survey time to Ug sh 4,500/= today.</li> </ul>
<p><b>Purpose:</b></p> <p>To develop a model policy that will strengthen Citizens' Monitoring of Public Procurement in Agriculture / NAADs program at Local level.</p>	<p>Citizens' participation to monitor public procurement decision making processes has been formalized and guided by joint planning and budgeting cycle.</p> <p>Target - Number of Citizens aware of public procurement process increased by 10%</p>	<ul style="list-style-type: none"> <li>• The Effective Joint NAADs Monitoring and Public Accountability proposal was welcome.</li> <li>• The formulated Bye law/ District Ordinance policy content formalizes citizens' participation in monitoring NAADs procurement.</li> </ul> <p>The baseline survey indicator of people aware of NAADs procurement process was 111 of a sample of 928 people (11.8%) in both districts.</p> <p>150 people more were deeply exposed to the NAADs procurement process out of 928 mobilized. This registers over 15% increments of citizens' aware of procurement process.</p>
<p><b>Outputs:</b></p> <p>NAADS Procurement Monitoring Groups Established</p>	<p>Target – 12 additional civil groups monitoring procurement registered</p>	<ul style="list-style-type: none"> <li>• The baseline indicator was 0%; 13 NAADs new procurement monitoring groups were identified, oriented and registered.</li> <li>• Directory of Stakeholders profiles &amp; NAADs procurement monitoring committees are all documented.</li> </ul>
<p>By-laws Drafted and Reviewed</p>	<p>Target - District Legal Drafting Committee to develop District Ordinance using Bye Law content.</p>	<ul style="list-style-type: none"> <li>• 100 copies of draft Bye – law content to inform policy discussion by the DTC; District Local Executive Councils represented by LC V, CAO, Secretary to Council and RDC in both districts.</li> </ul>
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Information and Tools for Capacity Building produced and disseminated.	Target - 3000 copies printed and distributed	Only 1000 copies were printed due to price inflation. 300 have been distributed so far as per requests. Distribution lists are in place.  Price catalogues', Charters, Household Feedback forms were not printed due print cost increase.
Public awareness of the proposed intervention in controlling public procurement increased	10% Community members in the local operation areas aware of the proposed Bye law and its relevancy to form a bigger voice for collective advocacy.	Consultations on Bye Law content were conducted but a few people turned up for a technical agenda
Tracking System for Public Procurement Budget/Expenditure streamlined	Target - 25% of the NAADs model projects' for the year 2011/2012 visited	80 % of model projects of FY 2011/2012 were validated. Projects for FY 2012/2013 model projects financial information was not readily availed by NAADs officials breaking the tracking cycle.