



The Republic of Uganda

MINISTRY OF LOCAL GOVERNMENT

**Draft Discretionary Development Equalisation Grant
(DDEG) Grant, Budget and Implementation Guidelines
Financial Year 2025/26**

28th August 2024

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DRAFT

Foreword

Government of Uganda (GoU) is committed to improving Service Delivery to all Citizens. This is manifested in a number of initiatives key among which are those that deliver Services closer to the Population.

Since FY 2015/16, Government started to implement reforms to improve the way Local Governments (LGs) are financed as they execute their mandates which are enshrined in the law(s) governing them. These reforms focus on ensuring that the resources transferred to LGs are objectively distributed to Finance Local Needs, focus on National Priorities and are duly accounted for.

It is imperative to note that Government is Financially constrained to adequately fund all Development Needs in the Local Governments at ago. However, efforts for Resource Mobilization are underway to ensure that all Decentralized Services are adequately Financed. Therefore, the available Resources must be prioritized to cater for the most critical needs in the Local Governments.

The Ministry of Local Government (MoLG) has prepared the Draft Discretionary Development Equalisation Grant (DDEG) Guidelines for FY 2025/26 to ensure seamless execution of the budget in line with the available resources.

I wish to further call upon all Local Leaders to ensure that the Resources at their disposal are utilized with a purpose of causing Social Economic Transformation within our Communities.

I also urge Local Governments to improve on the Reporting Culture. For detailed Reporting for DDEG, the Guidelines have provided a Reporting Template for Quarterly and Annual Reports which must be submitted to the Ministry of Local Government every Quarter.

Ben Kumumanya

PERMANENT SECRETARY

Ministry of Local Government

Abbreviations

BFP	Budget Framework Paper
BoQs	Bills of Quantities
CAO	Chief Administrative Officer
CDO	Community Development Officer
CLIC	Community and Livelihood Improvement Component
DDEG	Discretionary Development Equalization Grant
DEC	District Executive Committee
DP	Development Plan
FYs	Financial Years
GoU	Government of Uganda
HR	Human Resource
IDA	International Development Association
IGFTR	Intergovernmental Fiscal Transfer Reform
IPFs	Indicative Planning Figures
LGFC	Local Government Finance Commission
LGMSD	Local Government Management Service Delivery Program
LGs	Local Governments
LLGs	Lower Local Governments
LRDP	Luwero-Rwenzori Development Program
MC	Municipal Council
MDAs	Ministries, Departments and Agencies
MLHUD	Ministry of Lands, Housing and Urban Development
MoFPED	Ministry of Finance, Planning and Economic Development
MoLG	Ministry of Local Government
MoU	Memorandum of Understanding
MoWT	Ministry of Works & Transport
NDP	National Development Plan
NPA	National Planning Authority
OPD	Outpatient Department
OPM	Office of the Prime Minister
OTIMS	Online Transfer Information Management System.
PBS	Program Budgeting System
PDU	Procurement and Disposal Unit
PIP	Performance Improvement Plan
PPDA	Public Procurement and Disposal of Public Assets Authority
PRDP	Peace Recovery and Development Plan
RGCs	Rural Growth Centres
SAS	Senior Assistant Secretary
TC	Town Council
TPC	Technical Planning Committee
UBOS	Uganda Bureau of Statistics
USMID	Uganda Support to Municipal Infrastructure Development

1 GRANT INFORMATION

1.1 Objectives and structure of the DDEG

1.1.1 Objectives of the DDEG

The objectives of the DDEG are to:

- i. Enable LGs to allocate funds to priority local development needs that are within their mandate and are consistent with the National priorities by provision of **Discretionary Development** Funding.
- ii. Provide LGs with equitable access to development financing, ensuring that more disadvantaged LGs receive additional funding to enable them catch up with the rest of the country. In doing so, the grant is **the Equalization Grant provided for in the Constitution** Article 193 (4); and primary financing for Regional Development Programmes under affirmative action. Adherence by LGs to sectoral budget requirements will ensure that allocations are focused on areas where they lag behind national average standards for a service.
- iii. Provide development financing which caters for the **differing development needs of rural and urban areas.**
- iv. **Improve LGs capacities and systems for provision of quality services.** This is through rewarding good performance & sanctioning poor performance; coupled with performance improvement support to address areas where LGs have gaps.

1.1.2 Structure of the DDEG

The DDEG is structured based on the differing Development Priorities of Rural and Urban LGs as follows:

- i. The **District** Discretionary Development Equalisation Grant; and
- ii. The **Urban** Discretionary Development Equalisation Grant.

The **District** DDEG has 2 windows for: (i) Districts Development Grant allocated to the District LGs; (ii) Sub-County Development Grant allocated to the Sub-Counties.

Similarly, the **Urban** DDEG shall have 3 windows: (i) Urban Development Grant allocated to the Cities, Municipalities (ii) Division Grant allocated to City Divisions, Municipality Divisions and (iii) all Town Councils only;¹

Table 1: Overview of DDEG Grant Windows

Grant	Purpose
District Discretionary Development Equalisation Grant o/w DDEG District Development o/w DDEG Sub-County Development	<ul style="list-style-type: none"> - Address development needs of rural areas - Provide discretion to LGs to fund local priorities - Increase adequacy of funding whilst giving preferential treatment to LGs that are lagging behind the national average standard for a particular service
Urban Discretionary Development Equalisation Grant o/w City/ Municipal o/w Division o/w Town Councils	<ul style="list-style-type: none"> - Address development needs of urban areas - Provide discretion to LGs to fund local priorities - Increase adequacy of funding whilst giving preferential treatment to LGs that are lagging behind the national average standard for a particular service

1.2 Linkage to NDP III and Expected Service Delivery Outcomes

The DDEG contributes to the goal of the NDP III which is to Increase Average Household Incomes and Improve the Quality of Life of Ugandans.

Given its discretionary nature, the DDEG will contribute to the attainment of service delivery outcomes across the Programmes under the mandate of LGs. The DDEG should not only be used by LGs to construct and complete priority infrastructure projects, but also be used to ensure that the constructed infrastructure is functional and serves the intended needs of the citizens.

¹It is also expected that the DDEG guidelines can be used for new multi-sectoral funding such as e.g. climate related finance.

1.3 Procedures/Guidelines for Allocating the DDEG

The DDEG is allocated to LGs in a three-step process. The first step is to allocate the DDEG resources across the windows explained above. The second step is to allocate the DDEG resources across LGs within each window using the DDEG allocation formula. The third step is to allocate the DDEG resources to eligible and approved activities within a LG. The details are elaborated below.

1.3.1 Allocation of the DDEG across windows

The principle of allocating the DDEG across windows is to ensure that; any additional resources are allocated to the LGs with a relatively low per capita allocation.

1.3.2 Allocation of the DDEG across LGs in a given window

a) Allocation across Districts and Municipalities

The second step is the distribution of DDEG resources within the windows using the allocation formula. The DDEG will be allocated 50/50 based on two components: (i) the basic allocation based on socio-economic variables; and (ii) the performance component based on the results of the LG performance assessment, weighted by the basic allocation. As per the overall Intergovernmental Fiscal Transfer Reform objectives, the purpose is to: promote equitable allocation within a particular window; and promote efficiency in the use of funds for improved service delivery objectives.

1. Basic allocation based on socio-economic variables

The grant allocation formula for the basic component albeit with different weighting applicable to both district and urban LGs is described in the table below.

Table 2: The DDEG allocation formula

Variable name	Weights in percentage		Justification
	District DDEG	Urban DDEG	
Constant (fixed allocation for higher/LLGs)	20	17.5	Ensure that Higher and Lower LGs have minimum allocations for construction and completion of meaningful infrastructure
Rural Population / Urban Population	30	60	Provide for demand/scale of delivering services
Rural poverty headcount/Urban poverty head county	40	15	Equalizing variables - to allocate greater resources to districts that lag behind as per article 193 (4) of the Constitution.
Conflict ³	5	3	Allocate more resources to LGs severely affected by conflict.
Environmental risk index ⁴	2.5	2	Ensure that Higher and Lower LGs have allocations for addressing environmental risks both in Rural and Urban setting
Population in high epidemiological risk	2.5	2.5	Ensure that Higher and Lower LGs have allocations for addressing COVID-19, Ebola and other epidemiological Risks

Overall, the intent of the allocation formula is that it should: be objective, simple and easy to understand; be (politically) acceptable; use reliable information from official sources.

II. Performance-based component of the allocation formula

In order to provide strong incentives to LGs to improve effective operations and service delivery, the size of the DDEG for Districts, Cities and Municipalities is adjusted against the performance of the LGs during the Annual LG Performance Assessment exercise that is conducted between October and December each year.

³ The conflict variable is calculated as follows: (i) 60 points to category 1 districts (severely conflict or cattle rustling affected), (ii) 30 points to category 2 districts (sporadically conflicts and/or cattle rustling affected), (iii) 10 points to category 3 districts (conflict spill over) points to districts without conflicts the last 35 years. The MOLG, OPM, LGFC and MoLHUD will develop the criteria and determine the districts that fall within the respective categories.

⁴ The indicator is a composite index combining three factors of environmental risk: Flood, Landslide, Drought. The index is the combined % of population vulnerable to each of these three (additive). Source: National Vulnerability and Risk Atlas

The impact from the results of the crosscutting assessment is weighted (scaled) with the basic allocation formula discussed in the previous sub-section to ensure that every performance indicator has a noticeable impact on the actual size of the allocations, and that the system provides incentives for all (larger as well as smaller LGs). The system ensures that LGs with a performance score above the average score receive additional funding and a LG with a score that is below the average is allocated lower resources. The system also ensures that all the funds are allocated (no balances).

b) Allocation of DDEG across LLGs

The DDEG is allocated across LLGs based on the variables described in the table below.

Table 3: The DDEG allocation formula

Variable name	Weights in percentage	Justification
	LLGs	
Constant (fixed allocation for LLGs)	25	Ensure that Higher and Lower LGs have minimum allocations for construction and completion of meaningful infrastructure
Rural Population / Urban Population	75	Provide for demand/scale of delivering services

1.4 Use of the DDEG – an overview

The DDEG can be used for the different activities at District, City and Municipal level as well as LLGs (Sub-Counties, Town Councils, and Municipal Divisions) as follows.

At the District, City and Municipal LGs can use the DDEG for a wide range of infrastructures within the mandate of LGs according to their own local priorities and needs. In addition, the LGs can utilize the grant for investment servicing/monitoring of DDEG as well as for Performance Improvement support within the maximum thresholds provided below.

Table 4: Main types of Expenditure Items and expenditure thresholds at District/City/Municipal

Main Expenditure Items	Threshold
Infrastructure Projects	Minimum 70%
Investment Servicing and Monitoring ⁵	Maximum 10%
Field Verifications/ Monitoring and Reporting on DDEG	Maximum 5%
Performance Improvement	Maximum 10%
Assessment of LLG	Maximum 5%

⁵ Regional/purpose-specific windows may have a higher /lower allocation for this depending on the start-up preparations and awareness needed, planning, design, etc., defined as and when they are on board.

Note:

- 1. Assessment of LLGs is coordinated by Planning Unit and Performance Improvement coordinated by Human Resource Division.**
- 2. 3% for Monitoring and Reporting on DDEG. This is Coordinated by the Planning Unit**
- 3. 2% under Monitoring and Reporting on DDEG is Support to Nutrition Coordination Committees**
- 4. 5% for Investment Service Costs, 5% for Monitoring coordinated by Planning Unit**

The Sub Counties, Divisions and Town Councils can use the DDEG for four main types of activities outlined in the table below.

Table 5: Main types of Expenditure Items and expenditure thresholds at LLGs

Expenditure Item	Threshold
1. Infrastructure projects, including economic, social, and administrative infrastructures as well as environmental protection Projects	Minimum 80%
2. Investment Servicing Costs including Monitoring and Evaluation	Maximum 10%
3. Support Parish Planning including data collection, monitoring all projects and programs in parish	Maximum 8%
4. Support to Nutrition Coordination Committees	Maximum 2%

2 GUIDELINES FOR DISTRICTS, CITIES AND MUNICIPALITIES

The following three subchapters present the procedures for budgeting, management and reporting on each of these three components of the DDEG.

2.1 Guidelines for Infrastructure projects at Districts, Cities and Municipalities

2.1.1 Use of the DDEG for Infrastructure Development

a) Eligible Activities and Minimum Quality Standards for Districts

The Districts, Cities and Municipalities are allowed to use the DDEG funds for the eligible infrastructure development activities summarized in the matrix below. All infrastructure to be constructed and/or rehabilitated should:

- i. Comply with the minimum quality infrastructure standards of the investment(s) prescribed in the respective sector grant, budget, and implementation guidelines; and
- ii. Be designed and/or remodeled in a manner that adapts to climate change
- iii. Comply with Gender and Equity planning and budgeting principles

Table 6: Positive List/Investment Menu

LG	Mandated Services	Eligible Activities
	Administration	Construction or rehabilitation and furnishing of government offices
	Primary Education	<ol style="list-style-type: none"> i. Classroom construction and rehabilitation (incl. fencing, safety, rain water harvesting, hand washing facilities, , PPE Disposal facilities etc.) ii. Latrine Construction (incl. rehabilitation and emptying) iii. Teacher house construction and rehabilitation iv. Provision of furniture to primary schools
	Secondary Education	<ol style="list-style-type: none"> i. Secondary school construction and rehabilitation (incl. latrine construction, fencing, safety, rainwater harvesting, hand washing facilities, PPE disposal facilities, etc.) ii. Administration block rehabilitation iii. Teacher house construction iv. Laboratory and science room construction
	District Hospital and Primary Health Care	<ol style="list-style-type: none"> i. Staff houses construction and rehabilitation ii. OPD and other ward construction, and rehabilitation iii. Standard pit latrine construction (incl. rehabilitation and emptying) iv. Technologically appropriate hand washing facility installation

LG Mandated Services	Eligible Activities
	<ul style="list-style-type: none"> v. Maternity Ward construction and rehabilitation vi. OPD and other ward construction and rehabilitation vii. Theatre construction and rehabilitation viii. Equipping Health Facilities with beds, mattresses, Epidemic screening facilities, PPE Disposal facilities,
Water and Sanitation	<ul style="list-style-type: none"> i. Rehabilitation and repairs to rural water sources. ii. Construction of public latrines in RGCs iii. Spring protection iv. Borehole drilling and rehabilitation v. Construction of piped water system vi. Construction of dams vii. Water Harvesting and storage and supply, e.g. rainwater harvesting and improved local water retention through ponds and improved irrigation practices.
District Engineering Services	<ul style="list-style-type: none"> i. Construction of public building including major up-grading⁶ ii. Community access roads maintenance iii. Urban roads maintenance iv. Urban roads re-sealing v. Urban paved roads maintenance vi. Urban paved roads rehabilitation vii. Urban unpaved roads maintenance viii. District and Community Access roads maintenance ix. Bridges for District and Urban Roads x. Street Lighting Facilities constructed and rehabilitated xi. Construction and rehabilitation of urban drainage infrastructure xii. Construction and rehabilitation of solid waste collection and disposal facilities xiii. Urban Beautification Infrastructure
Production and Environment Protection	<ul style="list-style-type: none"> i. Valley dam construction ii. Cattle dip construction iii. Slaughter slab construction iv. Livestock market construction v. Plant Clinic/Mini Laboratory Construction vi. Crop marketing facility
Commercial Services	<ul style="list-style-type: none"> i. Construction, remodeling and rehabilitation of markets

⁶ E.g. to ensure that they are resilience against the threats from climate change etc.

LG Mandated Services	Eligible Activities
	<ul style="list-style-type: none"> ii. Construction, remodeling and rehabilitation of bus stands, lorry parks and other Economic Infrastructure (including car wash bay etc.) iii. Demonstration areas for private business and one-stop shops for interaction between business and private sector iv. Tourism Promotional Services
Natural Resources Management	<ul style="list-style-type: none"> i. Land management Services (Surveying, Valuations, Titling and Lease Management) ii. Physical Development Planning iii. Tree planting and greenery of public places, including erosion protection around infrastructure, riverbanks etc. iv. River Bank and Wetland Restoration (including Up-grading of degraded water catchment areas)

b) Ineligible Activities (Negative List)

The Districts and Municipalities as well as LLGs cannot use the DDEG funds for:

- a) Recurrent cost activities (unless specified in Table 7 above);
- b) Livelihood projects
- c) Purchase and repair of vehicles and motorcycles
- d) Projects with unsettled land issues
- e) Private goods and private business with exclusive options for utilization
- f) All kinds of credit schemes and insurances, guarantees etc.
- g) Projects which have a detrimental environmental/and or social impact
- h) Projects which are not following public design standards

2.1.2 Guidelines for Planning and Budgeting of Infrastructure Projects

The steps followed for planning and budgeting for infrastructure projects are outlined in the matrix below and elaborated thereafter.

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
July	a) Maintaining the Asset Register: LGs are required to maintain an up-dated assets register covering details on buildings, vehicle etc, as per the format prescribed in the Accounting Manual. Also, to facilitate judicious management of the stock of assets and investments, LGs should make use of their Board of Survey reports to inform decisions on asset management e.g.	CAO/Town Clerk

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
	the choice to procure new assets, to dispose old assets and the priority for this.	
September	b) Present the IPFs to TPC and DEC: - Inform them of the available resource envelope	District/City / Municipal Planner
October	c) Identification of projects to be constructed using DDEG (and other sector development grants): The principles for selection and prioritization of investments <ul style="list-style-type: none"> i. planned investments. Prioritise investments within the resources for the DDEG, communicated in the Local Government Budget Call Circular; ii. Equity of allocations, which includes consideration of the spatial location to ensure the prioritisation of investments in underserved areas. iii. Prioritisation of rehabilitation of infrastructure over new infrastructure. iv. Uncompleted phased projects should receive a first call on resources v. Focus on local needs that must be consistent with national/sector program priorities. The priorities should in part be derived from the budget conferences and/or Municipal Development Fora. vi. Ensuring there will be funds in future for the operation and maintenance of any 	District/City / Municipal Planner
November	d) Presentation to the Budget Conference:	Planner
November	e) Conduct a Desk Appraisal: - To establish whether <ul style="list-style-type: none"> • Must be derived from the approved LG Development Plan and included in the AWP and budget of the LG • Investment prioritised must be eligible for funding under the respective sector guidelines, consistent with the objectives of the DDEG • Financial feasibility-checking the cost of the proposed investment against the DDEG funds available to the LG in the financial year (and realistic projection if phased in a multi-year manner). • Project profiles for the proposed investments, with costing have been developed as per the LG planning guidelines 	DTP
November	f) Conduct field Appraisal: visiting the proposed areas of location of the investments and examining them against the following criteria, short of which they do not qualify: <ul style="list-style-type: none"> • Technical feasibility-this involves checking among others, whether: (i) the proposed project aims to satisfy the needs envisaged at conception; (ii) whether the proposed project can be delivered using the available materials whether in the locality or the market within the budget resources provided. 	Planner + Environmental officer

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
	<ul style="list-style-type: none"> • Environmental and social acceptability⁷ screening checklist which includes: • Environmental screening and proposed mitigation measures for identified risks by the LG Environment Officer involving: <ul style="list-style-type: none"> i. Project site selection-involving checking if the generic designs for the various infrastructure investments must be customised to suit site conditions ii. planning and screening (including screening for climate change) iii. Preparation and implementation of Environmental and Social Management Plans iv. Waste management in an environmentally safe manner v. Scope for proper drainage of wastewater vi. Scope for protection of beneficiaries and catchment area from pollution vii. Scope for management of borrow pits, if applicable viii. Feasibility for post construction sites management e.g. re-vegetate eco-systems • <i>Social, health and safety screening and proposed mitigation measures for identified risks by the CDO and/or Labour Officer, involving:</i> <ul style="list-style-type: none"> ○ Ascertaining land acquisition and proof of ownership, access and availability ○ Appraise if the target community are positively responsive to the proposed intervention (community engagement procedures were followed in selection) ○ Training of workers on health and safety ○ Social, health and safety reporting checklist for LGs completed 	
December	Incorporate in the BFP	Planner
February	Production of customized technical designs – use technical designs from sectors	LG Engineer
February	Preparation of Engineers Estimates	LG Engineer
March/ April	<p>Incorporation of Investments into the AWP and Budget: LGs are required to ensure that the prioritised investments for a given financial year are in the Annual Work Plan⁸ and Budget allocation in the Programme Budgeting System (PBS). This is done by isolating out the identified priorities for the financial year been planned for from the LG five-year rolling-development plan.</p>	Planner

⁷ Refer to detailed guidelines of Environmental Safeguards and Social, Health and Safety issued by MoWE/NEMA & MoGLSD respectively; checklists for screening of subprojects for environmental and social safeguards.

⁸ Refer to format provided for in the Local Government Development Planning Guidelines (Appendix 6), issued by NPA to LGs

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
May	<p>Preparation of the Procurement Plan: In accordance with Section 58 (4) of the PPDA Act, 2003, the LG Procurement and Disposal Unit (PDU) will coordinate the preparation of a comprehensive procurement plan, incorporating all infrastructure projects including those funded using the DDEG resources. The following steps are followed in deriving the procurement plan:</p> <ul style="list-style-type: none"> • Respective user departments submit all their infrastructure and other procurement requests to the PDU by the 30th April of the year the investment is due. • PDU and the District Planning Unit ensure that the procurement requests are incorporated into the LG annual workplan, budget and procurement plans. These are subsequently considered and approved by the LG Council. 	PDU

2.1.3 Guidelines for Procurement and Implementation of Infrastructure Projects

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
May	<p>Prepare bidding documents including BoQs and evaluation criteria: Preparation of bidding documents, including development of evaluation criteria, Bills of Quantities etc will be done by the LG Engineering department. LGs should ensure that the Environmental, Social Management Plans (ESMPs) are incorporated in the BoQs, bidding and contractual documents for all infrastructure projects.</p>	District Engineer/ PDU
July	Advertising for infrastructure projects to be constructed	PDU
July	Receipt of bids	PDU
August	Evaluation of bids	Evaluation Committee
August	Award of contracts	Contracts Committee
September	Signing of contracts and commence implementation	CAO/Town Clerk
September	<p>Composition and roles of the Project Implementation Team (PIT): LG Accounting Officers are required to establish project implementation teams for each of the respective infrastructure investments to be undertaken. This comprises of: (i) the Contract Manager who shall be the head of the respective user department of a given investment; (ii) the Project Manager who shall be the District Engineer; (iii) Environment Officer; (iv) Community Development Officer; and (v) Labour Officer. The roles of the Project Implementation Team are:</p> <ul style="list-style-type: none"> i. The Project Manager, shall be responsible for supervising the site at least at the key stages of works, prior to being considered for 	CAO / Town Clerk

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
	<p>payment and issue payment certificates for satisfactorily executed works</p> <ul style="list-style-type: none"> ii. the Contract Manager (i.e. the head of the user department for the District/Municipality) has a major role to ensure smooth implementation of the Project. iii. The LG Environment Officer shall ensure that the LG has proof of ownership or access of land by the LG for the investment and environment screening, as well as the proposed mitigation measures to minimise the negative impacts. Where ESIA/ESMPs are applicable, s/he is responsible to check that these are costed and incorporated into the designs, bidding, and contractual documents as per guidelines iv. The Community Development Officer, in close collaboration with the Environment Officer ensures the social screening is done and requisite mitigation measures incorporated prior to commencement of all civil works; conduct support supervision and monitoring to ascertain compliance with ESMPs, providing monthly reports. v. The Labour Officer conducts support supervision and monitoring to ensure aspects of health and safety are complied with at the sites. 	
Quarterly	<p>Conducting Site Meetings: The local government shall constitute a project site committee for each infrastructure investment, chaired by the CAO/Town Clerk and additionally, comprise of the Sub-county Chief (SAS), the designated contract and project managers, chairperson of the community management committee as relevant e.g SMC/BoG, HUMC in the case of education and health projects respectively, etc. Monthly site meetings should be held with all key stakeholders including RDCs, LCV Chairs, Town Mayors and LCIII chairpersons.</p>	Contract management team
	<p>Supervision of Projects: Joint technical supervision of works should be undertaken at least monthly, by the relevant technical officers including the LG Engineers, Environment Officers, Community Development Officers etc. Reports from site supervision and monitoring should later form part of the agenda for site meetings. The purpose of construction supervision shall be, among others, to ascertain compliance with the following:</p> <ul style="list-style-type: none"> i. Technical Requirements: conformity to the structural designs; conformity to the architectural drawings; conformity to the required specifications; timeliness; and cost control ii. Environmental guidelines: Minimal vegetation clearing; revegetating cleared areas as quickly as practicable; ensuring proper site drainage; and proper solid waste management: stripped soil (overburden) used for site restoration and landscaping, rather than being dumped offsite; workers do not litter school campus with litter (plastic bags, water bottles, etc); reusable waste (e.g. timber planks, paper bags, etc) given to local people if requested, pit latrines lined with masonry brickwork to enable their emptying with a honey sucker when full. 	Contract management team

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
	<p>iii. Social safeguards: schedule transporting of materials and other noisy activities outside beneficiary community active hours to minimise risk of accidents, road dust and traffic noise at the sites; fencing off construction sites to avoid risk of accident of falling debris to community members; HIV awareness among the surrounding community and workers; all workers should have appropriate safety gear and latrines should be safely dug on firm ground, carefully watching out for signs of possible wall failure to minimise risk of workers at heights or depth; sensitization of workers and other related measures to address issues of Gender Based Violence (GBV), Violence Against Children (VAC) and other influx of labor related issues (Child Labor, labor disputes, etc)</p>	
	<p>Certification of Works: Before payment can be made, the contracting firm shall request the project manager to confirm adequate completion of works. Depending on the nature of the project in question, representatives of the beneficiary community may be required to approve prior e.g in the case of a school, the School Management Committee/ Board of Governors, the Head Teacher shall submit a written request including a signature of the Chairperson of the School Management Committee to the Chief Administrative Officer and the MoES confirming adequate completion of works. Thereafter, the Project Manager shall confirm with the LG Environment/Community Development Officers that the environmental guidelines have been adhered to. Following this the Project manager will issue payment certificates for works satisfactorily executed and these shall be endorsed by: the Internal Auditor; Chief Finance Officer and Contract Manager</p>	Project manager
	<p>Payment of Contractors: LGs should ensure that interim and completion certificates are issued for all projects based on the technical supervision reports, and that payment of contractors and suppliers is done within the contract specified timeframes, once certification of works has been duly done.</p>	CAO / Town Clerk
	<p>Maintenance of procurement files: The LGs are required to maintain a complete procurement file for each infrastructure project implement. A complete procurement file must include: Budget, procurement plan and requisition; request for quotation and responses; evaluation report; award letter and acceptance letter; contract as per format/requirement</p>	PDU

2.1.4 Guidelines for Reporting

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
October, January April July	a) Site progress reports: A LG should conduct site visits and meetings at least quarterly.	TPC members
October, January April	b) Quarterly physical and financial progress report (PBS) c) Quarterly physical and financial progress report (see Annexes A-G)	Planner with Engineer and User Department.
July	d) Annual physical and financial progress report (in PBS) e) Annual physical and financial progress report (see Annexes A-G)	Planner with Engineer and User Dept

2.2 Guidelines for Investment Servicing and Monitoring

2.2.1 Use of the DDEG for Investment Service Costs

a) Eligible Expenditures

There are a number of activities that must be undertaken in order to properly plan, implement and monitor the construction of infrastructure projects. A LG can use a maximum of 10% of the DDEG to fund the activities which are outlined in the matrix below:

Budget Items	Activities - Positive List
Monitoring, supervision and appraisal of capital works	<ul style="list-style-type: none"> - Project identification and appraisal (desk and field), including review of the impacts from climate change, and screening/classification - Contract management and execution activities. - Routine monitoring - Data bases and systems
Feasibility Studies for Capital Works	<ul style="list-style-type: none"> - Preparation of engineering designs and cost estimation, including design work on review of additional costs from impact from climate change and climate proofing of infrastructure - Location studies for geotechnical, environmental, review of e.g. flood levels to ensure safety of existing buildings and studies of more resilient development in sectors impacted - Preparation of bidding documents including preparation of BoQs
Monitoring and Evaluation of Environmental Compliance	<ul style="list-style-type: none"> - Environmental and social impact assessments - Preparation of environmental and social management plans, - Mainstreaming of climate change in plans, budgets, contracts, and monitoring. - Monitoring compliance to the environmental and social management plans

b) Negative List

Everything not explicitly mentioned above.

2.2.2 Guidelines for Planning and Budgeting for Investment Service Costs

The Annual Work Plan for implementing Investment Service Costs should be coordinated under the Planning Department.

Date (When)	Step and Procedures (What, Why and How)	Responsible (Who)
December	Identification of priority investment servicing cost activities	Planner in consultation with user departments, engineer, environmental officer and community development officer and clerk to the council.
February	Presentation and discussion of the work plan for investment service activities in TPC	Planner
March	Presentation and discussion of work plan in - /CEC / MEC	CAO / TC
March	Incorporation into District/Municipal Annual Work Plan and Budget for approval.	Planner

2.2.3 Guidelines for Implementation of Investment Service Activities

According to the Work Plan, the respective beneficiary Departments will implement activities by making requisitions to the CAO/ TC through the Planning Department. The key departments to use the investment service costs include: user department, Engineering department, Environment, Community Development, Planning.

2.2.4 Guidelines for Reporting of Investment Service Activities

Reporting procedures will follow the normal procedures of the LG. The User Department will provide an activity report using a standard reporting template provided by MoLG (see annexes A - G), which will then inform the PBS quarterly reporting system.

2.3 Guidelines for Performance Improvement Activities

The LGs have the responsibility to ensure that all stakeholders at the LG level have the required skills, knowledge and attitudes to perform their functions. LG Performance Improvement Activities will be implemented by Districts, Cities and Municipalities. The focus will be to address gaps identified from the LG PA and to conduct performance assessment of LLGs. District/City/Municipal Administration (HR Unit) will coordinate all Performance Improvement Activities. The procedures for development, implementation and reporting of Performance Improvement Activities are briefly described below.

2.3.1 Use of the DDEG for Performance Improvement Support

a) Positive List

The Districts, Cities and Municipalities are allowed to use maximum 10% of their DDEG allocations to implement a wide range of activities intended to improve LG management and performance. 5% is allocated to carry out Assessment of LLGs by the Planning Department. Total Allocation is 15%. The activities that are eligible are outlined in the matrix below:

Table 7: Eligible Activities/Positive List

S/N	Activities / examples of expenditure
i	In-house Short-term training, skills development (not more than a month)
ii	Office Equipment retooling
iii	Benchmarking on best practices within the Country,
iv	Establishment of systems e.g. climate changes, vulnerabilities, early warning systems, etc.
v	Support to strengthen the planning process and mainstreaming of cross – cutting issues, e.g. climate adaptation, especially if LGs have performed poorly in the LG PA.
vi	Conducting LLG Performance Assessment Exercise

b) Negative List

- i. Staff training (career development)
- ii. Travel abroad
- iii. Procurement of vehicles and motorcycles
- iv. Operation and maintenance of vehicles

These activities in the negative list may be financed from other sources but not DDEG:

2.3.2 Guidelines for Planning and Budgeting for Performance Improvement Activities

Date (When)	Step and Procedures (What, Why and How)	Responsible (Who)
May (previous FY)	Prepare preliminary budget provisions for PIP up to max. 15% of DDEG for inclusion in LG budget under Administration (HR) 10%, and 5% under Planning Department. The LG may provide additional resources on top of the 15% DDEG allocation.	Administration Department (HR unit)/Planning Department.
January	Review and/or analyse the LG PA Report to identify performance improvement gaps. Hold individual discussion with the respective staff and political leadership in the LGs to discern the underlying causes of underperformance in the local government Prepare tentative proposals of the actions to be undertaken by the LG.	Administration Department (HR unit)
February	Develop Performance Improvement Plan and Budget. The PIP should include: the issue, proposed activity (what and how); responsible (who), when and Output targets (precisely what will be achieved when the activity is implemented) The LG should also plan and budget for conducting LLG performance assessment exercise due in July – September of the coming FY. The draft PIP should be discussed by LG TPC and District/City/Municipal Executive Committee (DEC) to validate and substantiate the analysis and proposals and ensure that all the most important areas of underperformance identified in the LGMSD PA as well as LLG PA are addressed.	Administration Department (HR unit)
February	Approval of the Performance Improvement Plan. The LG Chairperson and Accounting Officer should sign the PIP committing to implementing the PIP	CAO /Town Clerk

2.3.3 Guidelines for Implementation of Performance Improvement Activities

Implementation Modalities

- a) Administrative actions – to enforce requisite procedures and processes to improve performance e.g. records management, etc
- b) On the job-training by the LG staff (understudies, mentoring etc..)
 - The District, City /Municipal Resource Pool: LG Resource Pools shall be constituted and used for implementing performance improvement activities for LGs. Remuneration of the members of the resource pool should adhere to the circular on duty facilitating allowances issued by Ministry of Public Service.
- c) The LG Technical Planning Committees shall conduct LLG performance assessment exercise.
- d) Request for support from the NRP coordinated by MoLG
- e) Procurement of private service providers: Private service providers shall be procured in accordance with LG PPDA Regulations 2006.

2.3.4 Guidelines for reporting on Performance Improvement Activities

- a) For each activity there must be a report to CAO,
- b) Regular monitoring of PIP activities to be mainstreamed within LG monitoring – responsibility of HR unit,
- c) LG should compile a LLG PI report and submit the report to MoLG.
- d) LGs are required to do annual PIP reporting for July-Sept (end of September) & April to June (end of June)

2.4 Guidelines for Support to Nutrition Activities

2.4.1. Use of the DDEG for Nutrition Activities

In line with the Uganda Nutrition Action Plan (UNAP), the governance component which includes strengthening of the Nutrition Coordination structures is critical as a bedrock for implementing the specific and sensitive interventions.

LGs should utilise these funds to functionalise the multi sectoral coordination structures.

3 GUIDELINES FOR SUBCOUNTIES, DIVISIONS AND TOWN COUNCILS

The following subchapters explain the subsequent detailed procedures for the respective types of development projects as will be selected by LLGs.

3.1 Guidelines for Infrastructure Projects at LLG levels

3.1.1 Use of the DDEG for Infrastructure Development

The eligible and ineligible investments are similar to those elaborated for the districts, Cities and municipalities under section 2.1.1. However, the Sub Counties, Divisions and Town Councils should invest in infrastructure as per the development responsibilities described in the LG Act (2nd schedule). The larger infrastructure investment priorities identified by the Sub Counties, Divisions and Town Councils should be forwarded the Districts, Cities and Municipalities where more substantive levels of funding for infrastructure is available. Therefore, LLGs can only invest in infrastructure projects where:

- i. They can meet the recurrent cost implications. In case the recurrent costs are being met by the Districts, Cities or municipality, the LLG must have clear authorization prior to construction.
- ii. They have sufficient funds to complete the investment within the financial year.
- iii. Infrastructure projects which are consistent with the physical plan.
- iv. LLGs can use funds for development of physical development plans

3.1.2 Guidelines for Annual Planning and Budgeting for Infrastructure Projects

Budgeting for infrastructure construction shall comply with the LG budgeting guidelines issued by Ministry of Finance, Planning and Economic Development. The infrastructure projects must be derived from their development plan and incorporated in the annual plans and budgets approved by the LGs. The main steps are outlined in the table below.

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
September	Present the IPFs to TPC and Sub-county / Town council / Division - the Council and TPC - Inform them of the available resource envelope	SAS / Town Clerk
September	Maintaining the Asset Register: LGs are required to maintain an updated assets register covering details on buildings, vehicle etc, as per the format prescribed in the Accounting Manual to inform	SAS/Town Clerk

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
	decisions on whether to invest in new assets or livelihood improvement activities.	
September	Identification of projects to be constructed using DDEG: The principles for selection and prioritization of investments <ol style="list-style-type: none"> I. Prioritise investments within the resource envelop; II. Prioritising investments in underserved areas. III. Prioritisation of rehabilitation of infrastructure over new infrastructure. IV. Uncompleted phased projects should receive a first call on resources V. Focus on local needs that must be consistent with district program priorities. VI. Ensuring there will be funds in future for the operation and maintenance of any planned investments. 	TPC
October	Presentation to the Budget Conference	TPC
November	Conduct a Desk Appraisal - To establish whether the prioritized investment is: (i) derived from the Development Plan; (ii) eligible for expenditure under DDEG; (iii) will have no negative environmental and social impact.	Sub County / Town Council / Division Technical Planning Committee
November	Conduct field Appraisal - Check for: (i) technical feasibility; (ii) social acceptability; and (iii) customize designs – ensure environmental screening, climate adaptation etc.	TPC
November	Submit to District/City/ Municipal Planner to Incorporate in the BFP	SAS / Town Clerk
	Liaise with the District/City/ Municipal engineer for production of customized technical designs – use technical designs from sectors	SAS / Town Clerk
	Liaise with the District/City/ Municipal engineer for preparation of Engineers Estimates	SAS / Town Clerk
March/April	Incorporate in the Annual Work Plan and Budget	TPC

3.1.3 Guidelines for Procurement and Implementation of Infrastructure Projects

All procurements must be done in accordance with PPDA Act and LG Procurement Regulations 2006. Sub-counties / Town councils /Divisions should manage procurement through the District/City/ Municipal PDU.

Date (When)	Step (What, Why and How)	Who
April	Sub County/ Town Council / Division to prepare procurement plan and submit to PDU	SAS / TC
May	Incorporation in the procurement plan	PDU
June	Prepare bidding documents including BoQs and evaluation Criteria	SAS / PDU
July	Advertising for infrastructure projects to be constructed	PDU
July	Receipt of bids	PDU
August	Evaluation of bids	Evaluation Committee
July	Award of contracts	Contracts committee
July	Contracting of contractors – include a work plan	CAO/TC/SAS
	Formation of the contract management team: This will include: <ul style="list-style-type: none"> • Contract manager (Head of User Department) • Project manager (Engineer) • Members: planning, procurement, environment, community development. 	CAO / TC/SAS
	Labelling of projects:	Contractor
	Supervision:	Contract management team
	Certification of works – including detailed measurement Sheets	Project manager
	Payment of contractors	SAS / TC
	Maintenance of procurement files	PDU
	Commissioning	Chairperson

3.1.4 Guidelines for Reporting

No.	Step	Who
1.	Site progress reports: A LG should conduct site visits and meetings at least quarterly.	Engineer
2.	Quarterly physical and financial progress report sent from the LLG to the District/City/Municipality for uploading into PBS	SAS/TC
3.	Annual physical and financial progress report sent from the LLG to the District/City/Municipality for uploading into PBS	SAS/TC

Note: (see Reporting Temperate A - G)

3.2 Guidelines for Investment Servicing and Monitoring

3.2.1 Use of the Grant for Investment Servicing and Monitoring

a) Eligible Expenditures

There are a number of activities that must be undertaken in order to properly plan, implement and monitor the construction of infrastructure projects. A LG can use a maximum of 10% of the DDEG to fund the activities which are outlined in the matrix below:

Budget item	Activities - Positive List
Monitoring, supervision and appraisal of capital works	<ul style="list-style-type: none"> - Project identification and appraisal (desk and field), including review of the impacts from climate change, and screening/classification - Contract management and execution activities. - Routine monitoring - Data bases and systems
Feasibility Studies for Capital Works	<ul style="list-style-type: none"> - Preparation of engineering designs and cost estimation, including design work on review of additional costs from impact from climate change and climate proofing of infrastructure - Location studies for geotechnical, environmental, review of e.g. flood levels to ensure safety of existing buildings and studies of more resilient development in sectors impacted - Preparation of bidding documents including preparation of BoQs
Monitoring and Evaluation of Environmental Compliance	<ul style="list-style-type: none"> - Environmental and social impact assessments - Preparation of environmental and social management plans, - Mainstreaming of climate change in plans, budgets, contracts, and monitoring. - Monitoring compliance to the environmental and social management plans

b) Negative List

Everything not explicitly mentioned above.

3.2.2 Guidelines for Planning and Budget for Investment Service Activities

The Annual Work Plan for implementing Investment Service Costs should be coordinated under the SAS/TC.

Date (When)	Step and Procedures (What, Why and How)	Responsible (Who)
November	Identification of priority investment servicing costs	CDO in consultation with other Extension Workers.
December	Presentation and discussion of work plan in STPC	CDO
January	Presentation and discussion of work plan in – Executive Committee	SAS/TC
February	Incorporation into LLG Work Plan and Budget for approval.	SAS/TC

3.2.3 Guidelines for Implementation of Investment Service Activities

According to the Work Plan, the respective LLGs will implement investment servicing activities using experts from the Districts, Cities or Municipalities. The technical staff from the Districts, Cities /Municipalities will implement activities by making requisitions to the SAS/TC. The key departments to use the investment service costs include the User Department, Engineering, Environment, CDO and Planner.

2.4.1 Guidelines for Reporting on Investment Service Activities

Reporting procedures will follow the normal procedures of the LLG. The User Department will provide an activity report using a standard reporting template, which will then inform the PBS quarterly reporting system

3.3 Guidelines for Support to Parish Activities

3.3.1 Use of the DDEG for Parish Development Model

These are part of the DDEG funds of the LLGs, supporting parish level activities.

a) Positive List

The Parish may use the DDEG to complement PDM funds for the following type of activities:

- i. Development planning – including consultation on Parish priorities to inform the formulation of LLG Development Plans,
- ii. Data collection as guided by the LLG and the District/City Planner
- iii. Community mobilisation including: PDC formation and training as well as enterprise selection as guided by the LLG
- iv. Monitoring and reporting on all programs and projects at Parish Level

b) Negative List

LLGs are encouraged to use other LG resources to:

- i. Provide rental accommodation for Parish Offices
- ii. Equipping the office of the Parish Chief

3.4 Guidelines for Support to Nutrition Activities

3.4.1. Use of the DDEG for Nutrition Activities

In line with the Uganda Nutrition Action Plan (UNAP), the governance component which includes strengthening of the Nutrition Coordination structures is critical as a bedrock for implementing these specific and sensitive interventions.

LLGs should utilise these funds to functionalise the multi sectoral coordination structures.

3.5 Guidelines for Annual Planning and Budgeting for Parish Activities

Budgeting for eligible parish activities shall comply with the LG budgeting guidelines issued by Ministry of Finance, Planning and Economic Development. The main steps are outlined in the table below.

Date (When)	Step and Description of Procedures (What, Why & How)	Responsible (Who)
September	Present the parish IPFs to TPC and Sub-county / Town council / Division - the Council and TPC - Inform them of the available resource envelope	SAS / Town Clerk
September	Identification of activities to be conducted in the parishes using DDEG	TPC
October	Presentation to the Budget Conference	TPC
November	Submit to District/City / Municipal Planner to Incorporate in the BFP	SAS / Town Clerk
March/April	Incorporate in the Annual Work Plan and Budget	TPC

3.5.1 Guidelines for Implementation of Activities at the Parish level

Date (When)	Step (What, Why and How)	Who
February	Sub County/ Town Council / Division to prepare work plan	SAS / TC
Quarterly	Implementation of activities	Parish Chief and other LLG staff
Quarterly	Payment/facilitation for activity implementation	SAS/TC
Quarterly	Supervision/monitoring of activity implementation	SAS/TC

3.5.2 Guidelines for Reporting

Reporting will follow the structures at the LLG. The Parish Chief will provide an activity report using a standard reporting template, which will then inform the LLG PBS quarterly reporting system.

Date (When)	Step	Who
Monthly	Activity reports:	Parish Chief
Quarterly	Quarterly reports:	SAS/TC
July	Annual reports:	SAS/TC

4. ENVIRONMENT AND SOCIAL SAFEGUARDS

Construction activities under this budget support will have to observe Construction Management guidelines, Environmental, Social and Health Safeguards detailed below;

4.1. Construction Management

The LGs should ensure that under Construction Management, the following issues are taken care of:

- a) Integration of Environment and Social Safeguards into designs, BoQs and contract documents
- b) Procedures for customizing and approval of architectural and structural plans
- c) Investment Service Costs to ensure adequate funding of E&S safeguards
- d) Clear Composition of Project Management and its roles, Organisation and clarification of roles during construct supervision of:
 - (i) Technical Staff: District Engineer; Environment Officer, CDO; User Department; CAO/TC; Clerk of Works; sub-county staff; facility staff
 - (ii) Oversight bodies: District and LLG political leadership; facility management committees
- e) Geotechnical investigations and materials testing
- f) Site meetings – frequency, participants, agenda etc.
- g) Certification of works and payment procedures
- h) Use of Joint construction management reporting checklist
- i) Discussions and taking action from the monitoring visits

4.2. Environmental Safeguards

While undertaking DDEG investments, the LG should observe the following;

- j) Project site selection, planning and screening (including screening for climate change)
- k) Preparation and implementation of Environmental and Social Management Plans
- l) Waste management in an environmentally safe manner
- m) Proper drainage of waste water
- n) Protection from pollution
- o) Management of borrow pits
- p) Proper storage, use, transportation and disposal of agro-chemicals
- q) Joint environment reporting checklist for LGs (also used by MDAs)
- r) Post construction sites management e.g. re-vegetate eco-systems

4.3. Social, Health and Safety

- s) Comply with requirements for Occupational Safety and Health drawings approval requirements, site workplace registration, e.t.c.

- t) Land acquisition and proof of ownership, access and availability
- u) Community engagement procedures
- v) Training of workers on health and safety
- w) Provision of protective equipment and enforcement of use
- x) Safety signature on construction sites including hoarding of sites
- y) Grievance redress systems for all stakeholders including formation and functioning of Grievance Redress Committees
- z) Procedures for management of physical cultural resources
- aa) Development of social action plans e.g. child protection plans; GBV prevention plans, etc.
- bb) Labour management plans and ethical code of conduct for contractor site workers
- cc) Use of Joint social, health and safety reporting checklist for LGs

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5. GRIEVANCES REDRESS MANAGEMENT UNDER DDEG

Given the nature of services to be delivered under DDEG, dissatisfaction among different players is inevitable. Therefore, grievances arising out of DDEG implementation will follow the normal grievances address mechanism in Government as outlined below:

The purpose of the grievance redress mechanism is to:

- a) Provide affected people with avenues for making a complaint or resolving any dispute that may arise during implementation of infrastructure or other investments funded using the DDEG or other grant(s)
- b) Ensure that appropriate and mutually acceptable corrective actions are identified and implemented to address complaints;
- c) Verify that complainants are satisfied with outcomes of corrective actions;
- d) Avoid the need to resort to judicial (legal court) proceedings unless it is warranted.

There are several types of grievance (highlighted in the table below), and several stakeholders who maybe the source of grievance - these may include:

- a) Members of the beneficiary community for the project/investment; their families;
- b) Neighbors or those affected in any way by the intervention (Project Affected Persons);
- c) Employees of the contractors or suppliers.
- d) Members of the surrounding community.
- e) Other people.

List of avenues for different types of Grievances

Wherever possible, the first port of call for Grievances should be at the CAO / Town Clerk level, but other avenues must also be available to those with grievance and there must be appropriate referral processes. The main avenues and their purpose are set out below:

Grievance redress channel

Avenue	Type of Grievance
Project site level	
Beneficiary/those affected	<ul style="list-style-type: none"> • Quality of supplies delivered by suppliers etc • Lack of responsiveness of contractors/ supplier(s) to agreed actions • Other issues relating to behaviour of LG/LLG staff etc
LG LEVEL	
LG Councillors	<ul style="list-style-type: none"> • Prioritisation of investments not in line with guidelines • Violence against and abuse of community members by contractor/supplier or teammates, etc
LG User Department	<ul style="list-style-type: none"> • Quality of works or parts delivered by contractors/suppliers • Corruption and misuse of funds • Other issues relating to behavior of User department staff, etc
District Land Board	<ul style="list-style-type: none"> • Complaints about land associated with infrastructure

Avenue	Type of Grievance
NATIONAL INSTITUTIONS	
Police	<ul style="list-style-type: none"> • Violence against and abuse of community members by contract staff, contracted labour (including defilement, rape, child labour etc)
Uganda Child Helpline	<ul style="list-style-type: none"> • Emotional, physical or sex abuse, etc
Uganda Budget Hotline	<ul style="list-style-type: none"> • Quality of works delivered contractors/ suppliers • Missing and misuse of funds
IGG Hotline	<ul style="list-style-type: none"> • Corruption and misuse of funds
MoLG	<ul style="list-style-type: none"> • Unsatisfactory action against grievances taken because of channeling grievances via avenues above.
Respective MDAs	<ul style="list-style-type: none"> • Various sector specific issues
Contractors/Suppliers	<ul style="list-style-type: none"> • Issues regarding contract management prior, during or after completion e.g contracts, interim and final certification of works, payment etc

Process for a grievance to proceed at the LG level

The implementation of infrastructure projects will require establishing a simple Grievance Redress Committee (GRC) at each institution with the involvement of the LC I, Project Affected Persons, relevant staff of the institutions and the implementing agency, MoLG, and other appropriate actors.

The general steps of a grievance redress process are as follows:

1. **Receipt of complaints** - Is the first step when a verbal or written complaint from a complainant is made, received, and recorded in a complaints log by the GRC within 5 working days of receipt of the complaint.
2. **Determining and implementing the redress action** - If in his/her view, a grievance can be solved at this stage, the GRC will determine a corrective action in consultation with the aggrieved person. Grievances will be resolved and the status reported back to complainants within 5 working days. If more time is required this will be communicated clearly and in advance to the aggrieved person.
3. **Verifying the redress action** - The proposed corrective action and timeframe in which it is to be implemented will be discussed with the complainant within 5 days of receipt of the grievance. Consent to proceed with corrective action will be sought from the complainant and witnessed by the area's local council chairperson (LC Chairman).
4. **Amicable mediation and settlement** - Agreed corrective action will be undertaken by the projector its contractor within the agreed timeframe. The date of the completed action will be recorded in the grievance log.
5. **Dissatisfaction and alternative actions** - To verify satisfaction, the aggrieved person will be asked to return and resume the grievance process, if not satisfied with the corrective action.

In the event that there is no resolution to the grievance, then:

(a) The GRC at the given level of LG and the aggrieved Projected Affected Person(s) shall refer the matter to the relevant District Authorities;

(b) An Appeal to Court - Ugandan laws allow any aggrieved person the right to access courts of law. If the complainant remains dissatisfied with the District's Decision, the complainant has the option to pursue appropriate recourse via a judicial process in Uganda. Courts of law will be a "last resort" option, in view of the above mechanism.

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6. ADDRESSING VULNERABILITY AND RISKS UNDER DDEG – A SYNOPSIS

Vulnerability is the extent to which changes can hurt or harm a person or system. Vulnerability is related to the characteristics and circumstances of a community or system, which make it more susceptible to hazard and cause loss. Risk is a situation involving exposure to danger.

Whereas there are many aspects of vulnerability arising from physical, social, economic, and environmental factors, LGs may not have the capacity to address all of them given the resources available and the confines of their mandates.

These guidelines support LGs in addressing epidemiological vulnerability and social and environmental vulnerability and risks. The nature of the vulnerabilities and risks that can be addressed using the DDEG grant are as below:

Vulnerability Factor	Nature and description of vulnerability	Redress within the ambit of the LGs using DDEG resources
Physical	<ul style="list-style-type: none"> Structural damage of physical infrastructure e.g. schools, health facilities, roads etc 	<ul style="list-style-type: none"> Rehabilitation of infrastructure is eligible as part of the investment menu and at the discretion of LGs
Economic	<ul style="list-style-type: none"> Capital costs of repair of damaged buildings and infrastructure essential for local service delivery. The uninsured informal sector, vulnerable rural livelihoods, dependence on single industries, globalisation of business and supply chains, etc. 	<ul style="list-style-type: none"> Capital costs are eligible as part of the investment menu for infrastructure projects
Social	<ul style="list-style-type: none"> Poverty and inequality, marginalisation, social exclusion and discrimination by gender, social status, disability, and age (amongst other factors) psychological factors, etc Epidemiological response e.g., the current COVID-19 Pandemic 	<ul style="list-style-type: none"> Current inequities in grant allocations consider poverty rates and further efforts being made for more equitable DDEG allocation across LGs. Use the guidelines on social and environment safeguards issued by MoGLSD & MWE respectively.
	<ul style="list-style-type: none"> Threats to Health and safety due to infrastructure development activities 	<ul style="list-style-type: none"> It has been emphasized that social management plans should be incorporated into the designs, BoQs, bidding and contractual documents for infrastructure constructed using DDEG resources.
Environmental	<ul style="list-style-type: none"> Environment and climate change aspects e.g., poor environmental management, overconsumption of natural resources, decline of risk regulating ecosystem services, climate change, landslides etc. 	<p>a Environment management plans should be incorporated into the designs, BoQs, bidding and contractual documents for infrastructure constructed using DDEG resources.</p> <p>b To mitigate social and environmental risks, LGs are required to carry out Environmental screening and proposed mitigation measures for identified risks by the LG Environment Officer involving: Project site selection-involving checking if the generic designs for the various</p>

		<p>infrastructure investments must be customised to suit site conditions</p> <p>planning and screening (including screening for climate change)</p> <p>Preparation and implementation of Environmental and Social Management Plans</p> <p>Waste management in an environmentally safe manner</p> <p>Scope for proper drainage of wastewater</p> <p>Scope for protection of beneficiaries and catchment area from pollution</p> <p>Scope for management of borrow pits, if applicable</p> <p>Feasibility for post construction sites management e.g. re-vegetate ecosystems</p> <p>Investment servicing costs allow for environment and social safeguards implementation monitoring.</p> <p>DDEG formula allocates additional funding to local governments with populations vulnerable to environmental risk hazards (drought, landslide, flood)</p>
Epidemiological vulnerability	<ul style="list-style-type: none"> Epidemiological risks are related to the incidence, distribution, and possible control of diseases and other factors relating to health. 	<ul style="list-style-type: none"> The DDEG investment menu provides eligibility for provision of infrastructure supportive of health infrastructure that contributes to redress of such risks DDEG formula allocates additional funding to local governments with high population densities, vulnerable to epidemiological risks
COVID 19, Ebola	<ul style="list-style-type: none"> COVID-19 and Ebola represents such significant global emergencies and that will have long term implications for health and livelihoods among in population. Therefore, decisive LG action will contribute to the control and scaling back of the pandemic. 	<ul style="list-style-type: none"> To this end, investments supportive of the requisite health infrastructure e.g. equipping Health Facilities with Beds and Mattresses; renovation of HCIII e.g. Maternity Ward, OPD sections etc; renovation of Staff Houses for Health Workers and provision of regular safe water supply and technologically appropriate hand washing facilities to Health facilities to help in observance of COVID 19 SOPs are eligible under the DDEG grant.

Investment Service Costs <i>(for clarity, itemise each activity and attach a budget)</i>								
Total								

Signed *(indicate name & sign)*

.....

Accounting Officer (CAO/TC)

Date & Stamp.....

Signed *(indicate name and sign)*

.....

CFO

DRAFT

M&E- Investment service costs and Monitoring <i>(for clarity, itemise each activity and attach a budget)</i>										
Total										

Signed *(indicate name & sign)*

.....

Accounting Officer (CAO/TC)

Date & Stamp.....

Signed *(indicate name and sign)*

.....

CFO

The District Planner is responsible for reviewing District, Sub-counties and Town Councils' Form As before onward submission to MoLG. The District/City Council/Municipal Planner will ensure that all forms are correctly filled for all completed projects.

Form B that will be poorly filled will not be accepted by MoLG.

FORM C

REPORT ON INVESTMENT INVENTORIES FOR FY

a) District /City/ MC

b) Program/Project title.....

LG	PROG	ANNUAL PLANNED OUTPUT/ PROJECT (QUANTIFIABLE)	BUDGETED	ACTUAL SPENT		START DATE	ACTUAL END DATE	PLANNED END DATE	ACTUAL OUTPUT AND LOCATION (QUANTIFIABLE)	COMMENTS
				DDEG	OTHERS					
Total										

Signed (*indicate name & sign*)

.....

Accounting Officer (CAO/TC)

Date & Stamp.....

Signed (*indicate name and sign*)

.....

CFO

Form C to be filled at the end of the FY

FORM D

REPORT ON PERFORMANCE IMPROVEMENT ACTIVITIES FOR FY

a) District /City/ MC

b) Program title.....

LG	PROG	ANNUAL PLANNED OUTPUT (QUANTIFIABLE)	BUDGETED	ACTUAL SPENT		START DATE	ACTUAL END DATE	PLANNED END DATE	ACTUAL OUTPUT AND LOCATION (QUANTIFIABLE)	COMMENTS
				DDEG	OTHERS					
Total										

Signed (*indicate name & sign*)

.....

Accounting Officer (CAO/TC)

Date & Stamp.....

Signed (*indicate name and sign*)

.....

HR

FORM E

ANNUAL/ QUARTERLY WORK PLAN- *(for Sub-Counties, Town Councils and Municipal Division)*

a) Local Government.....

b) Program/Project title.....

c) For the period *(month and year)* to *(month and year)*

PROGRAMME	ANNUAL PLANNED OUTPUT/ PROJECT (QUANTIFIABLE)	BUDGETED	PLANNED EXPENDITURE BY QUARTERS				SOURCE OF FUNDS	
		PROJECT COST	Jul - Sept	Oct - Dec	Jan - Mar	Apr – Jun.	DDEG	OTHERS
Example: HCD	<i>Construction of a 2- classroom block at Kinu Primary School/ Kinu Parish, Namwendwa Sub- County</i>							
M&E-Investment service costs and Monitoring <i>(for clarity, itemise each activity [(i), (ii), etc] and attach a budget)</i>								

M&E <i>(for clarity, itemise each activity and attach a budget)</i>								
Investment Service Costs <i>(for clarity, itemise each activity and attach a budget)</i>								
Total								

Signed *(indicate name & sign)*

.....

LLG Accounting Officer

Date & Stamp.....

Signed *(indicate name and sign)*

.....

Sub-accountant

DRAFT

FORM F

PHYSICAL PROGRESS REPORT (QUARTERLY)- (Sub-Counties, Town Councils and Municipal Division)

a) Lower Local Government.....

b) Program/Project title.....

c) For the period (month and year) to (month and year)

PROGRAMME	ANNUAL PLANNED OUTPUT/ PROJECT (QUANTIFIABLE)	BUDGETED	EXPENDITURE BY QUARTERS				SOURCE OFFUNDS <i>(Indicate used funds by source)</i>		ACTUAL OUTPUT AND LOCATION (QUANTIFIABLE)	COMMENTS
		PROJECT COST	Jul - Aug	Sep - Dec	Jan - Mar	Apr - Jun.	DDEG	OTHERS		
Example: <i>HCD</i>	Example: <i>Construction of a 2-classroom block at Kinu Primary School/ Kinu Parish, Namwendwa Sub-County</i>									
Performance Improvement <i>(for clarity, itemise each activity [(i), (ii), etc.] and attach a budget)</i>										

M&E <i>(for clarity, itemise each activity and attach a budget)</i>										
Total										

Signed *(indicate name & sign)*

.....

LLG Accounting Officer

Date & Stamp.....

Signed *(indicate name and sign)*

.....

Sub-accountant

The District Planner is responsible for reviewing Sub-counties and Town Councils' Form Ds before onward submission to MoLG. The District/ City Council/Municipal Planner will ensure that all forms are correctly filled for all completed projects.

Form E that will be poorly filled will not be accepted by MoLG.

FORM G

REPORT ON INVESTMENT INVENTORIES FOR FY..... *(Sub-Counties, Town Councils and Municipal Division)*

a) Sub-county/Town Council/Division *(delete as appropriate)* LG

b) Program/Project title.....

LG	PROGRAMME	ANNUAL PLANNED OUTPUT/ PROJECT AND LOCATION (QUANTIFIABLE)	BUDGETED	ACTUAL SPENT		START DATE	ACTUAL END DATE	PLANNED END DATE	ACTUAL OUTPUT AND LOCATION (QUANTIFIABLE)	COMMENTS
				DDEG	OTH ERS					
Total										

Signed *(indicate name & sign)*

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LLG Accounting Officer

Date & Stamp.....

Form G to be filled at the end of the FY

Signed *(indicate name and sign)*

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Sub-accountant