



Uganda Support to Municipal Infrastructure Development Program (P117876)

AFRICA | Uganda | Social, Urban, Rural and Resilience Global Practice Global Practice | Requesting Unit: AFCE2 | Responsible Unit: GSU13
IBRD/IDA | Program-for-Results | FY 2013 | Team Leader(s): Martin Onyach-Olaa, Emma Sameh Wadie Hobson, John Stephen Ajalu

Seq No: 10 | ARCHIVED on 21-Dec-2017 | ISR29911 | Created by: Martin Onyach-Olaa on 10-Oct-2017 | Modified by: Martin Onyach-Olaa on 04-Dec-2017

1. STATUS & KEY DECISIONS

1.1 OBJECTIVE & RATINGS

Program Development Objectives

Program Development Objective (from Program-for-Results Appraisal Document)
To enhance institutional capacity of selected municipalities to address urban service delivery gaps

Disbursement Summary

Source of Funds	Net Commitment	Total Disbursed	Remaining Balance	Disbursed
IBRD	--	--	--	0%
IDA	150.00 M	135.96 M	2.18 M	98%
Grants	1.24 M	1.24 M	--	100%

Disbursement Ratio	0.0%
Disbursement Delay Flag	NONE
Effectiveness Delay Flag	NONE
Bank Approval Date	28-Mar-2013
Project Closing Date	31-Dec-2018
Overall Risk	● Moderate

Key Project Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Moderately Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Moderately Satisfactory	● Satisfactory

Comments

1. Only 2 municipalities are yet to conclude procurement of new contractors to complete batch 1 works
2. There has been improved and adequate fiduciary arrangements in place at both MoLHUD and the MCs.
3. There has been increased involvement of safeguard teams from MoLHUD, PST as well as at the MCs level in the implementation of sub-projects.

Other Project Ratings



Name	Previous Rating	Current Rating
Technical	● Moderately Satisfactory	● Satisfactory
Fiduciary Systems	● Satisfactory	● Satisfactory
E&S Systems	● Moderately Satisfactory	● Satisfactory
Disbursement Linked Indicators (DLI)	● Satisfactory	● Satisfactory

Comments

- Batch 1 (a) works are now substantially completed in 10 MCs and are at various stages of implementation in the remaining 4 MCs, while implementation of Batch 1(b) works is completed in 4 MCs and progressing well in the remaining 2 MCs.
- There has been improved and increased involvement of safeguard teams from MoLHUD, PST as well as at the MCs level in the implementation of sub-projects.

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P117876	IDA-52230	Effective	USD	150.00	150.00	0.00	135.96	2.18	91%
P117876	TF-13021	Closed	USD	0.89	0.79	0.10	0.79	0.00	100%
P117876	TF-99697	Closed	USD	0.55	0.45	0.10	0.45	0.00	100%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P117876	IDA-52230	Effective	28-Mar-2013	22-May-2013	04-Sep-2013	31-Dec-2018	--
P117876	TF-13021	Closed	24-May-2013	24-May-2013	11-Jul-2013	30-Jun-2014	--
P117876	TF-99697	Closed	14-Sep-2011	30-Sep-2011	30-Sep-2011	31-Dec-2013	--

1.2 KEY ISSUES & PROJECT STATUS

Key Issues and Actions for Management Attention

Issues

- Batch 1 Infrastructure projects finalization:** Four Municipal Councils (Mbale, Soroti, Hoima, and Fort Portal) have not formally disengaged with the previous contractor (Plinth Technical Services). Due care should be taken to ensure that the concerned four MCs disengage quickly with the previous contractor and all outstanding commitments are settled in a timely manner.
- Time frame for completion of Batch 2 infrastructure projects:** All the Municipal Councils will have less than 12 months' implementation period for Batch 2 works. This time will not be adequate for completion of the Batch 2 works. The Ministry of Lands Housing and Urban Development (MoLHUD) should work closely with the supervising consultants and all the Municipal Councils and institute measures to expedite the implementation process of batch 2 works.
- Fifth Year APA results and the QAR consultant :** The Independent Verification Agent (IVA) concluded the Annual Performance Assessments for the FY 2016/17 in May 2017. An independent Consultant carried out the Quality Assurance Review (QAR) of the IVA



assessments in May 2017. All the Municipal Councils (MCs) met the minimum conditions and therefore are eligible to receive funds for FY2017/18. Average performance for FY 2016/2017 was 92.42% against the target of 90%. The assessment results shall be the basis of allocation of funds to the MCs during the FY 2017/2018.

Action	Due Date	Status
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Implementation Status and Key Decisions (Public Disclosure)

The Program is in its fifth year of implementation with cumulative disbursements of SDR78.86 million out of total credit of SDR 97.4 million, representing 80.97% disbursement rate. Total disbursement including request being process, will stand at 98.4%. The Program is expected to achieve its development objective.

2. Missions

Mid-Term Review Information for the Project (Seq no. 07, 20-Jun-2016)			
Planned Date	22-Jul-2016	Actual Date	18-May-2016

ISR Sequence No.	Mission Type	Actual Date
10 (Current) 21-Dec-2017	Implementation Support	04-Oct-2017
09 (Previous) 04-May-2017	Implementation Support	30-Mar-2017

3. Compliance

Program Action Plan

Action	Recurrent	Date	Responsibility	Status
The MoLHUD shall prepare and adopt, not later than March 31 of each Fiscal Year ("FY") during the implementation of the Program, a Capacity Building Plan ("CBP") specifying activities to be carried out during said FY, and implement the said CBP.	<input checked="" type="checkbox"/>		Client	Completed
The Recipient, not later than one month prior to the mid-term review, furnish to the Association for comments, a report, in such detail on the progress of the Program, and giving details of the various matters to be discussed at such review.	<input type="checkbox"/>	22-Jul-2016	Client	Completed
Each Fiscal Year beginning FY2016: (a) carry out, a VFM audit under DLI#3 and furnish said audit to IDA not later than six months after the end of the FY of the audit; and (b) take into account the audit findings in the Annual Performance Assessment	<input checked="" type="checkbox"/>		Client	Completed



Each FY beginning FY2013: (a) carry out an audit of contracts procured in the preceding FY and furnish the said audit to IDA not later than six months after the end of the FY, and (b) take into account the audit findings in the APA for that FY.	☑	Client	Completed
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Each FY carry out an Annual Performance Assessment (“APA”) of participating Program LGs, covering the previous Fiscal Year (“FY”), and furnish IDA the said APA, not later than six (6) months after the end of said FY.	☑	Client	Completed
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Legal Covenants

Loan/Credit/TF	Description	Status
IDA-52230	Finance Agreement: Section I.C.1 (b) (i), (ii) and (iii), of Schedule 2 to the Financing Agreement. Description: The Recipient has established the Program Support Team, the Program Steering Committee, and the Program Technical Committee, respectively. Due Date: 22-Aug-2013	Complied with
IDA-52230	Finance Agreement: Section I.C.2 (a) of Schedule 2 to the Financing Agreement. Description: The Recipient has prepared and adopted the Program Operational Manual. Due Date: 22-Aug-2013	Complied with
IDA-52230	Finance Agreement: Section I.C.1 (c) of Schedule 2 to the Financing Agreement. Description: The Recipient has appointed the Independent Verification Agent. Due Date: 22-Aug-2013	Complied with
IDA-52230	Finance Agreement: Section I.C.2 (c) of Schedule 2 to the Financing Agreement. Description: The Recipient, through MoLHUD, has entered into the Inter-Agency Memorandum of Understanding. Due Date: 22-Aug-2013	Complied with

4. Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Substantial	● Substantial
Macroeconomic	--	● Low	● Low
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Low	● Low
Institutional Capacity for Implementation and Sustainability	--	● Substantial	● Substantial
Fiduciary	--	● Moderate	● Moderate
Environment and Social	--	● Moderate	● Moderate
Stakeholders	--	● Low	● Low
Other	--	--	--



Overall

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● Moderate

● Moderate

5. Disbursement Linked Indicators (DLI)

►DLI#1: Program LGs have met Minimum Conditions in Annual Performance Assessment (APA) - Total DLI#1 amount - US\$30m. (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
Value	0.00	92.86	100.00
Date	10-Dec-2012	28-Oct-2015	04-Oct-2017

Comments

All 14 Municipal LGs have met the Program Minimum Conditions as per the APA report which have been verified.

►DLI#2: Program LGs have strengthened their institutional performances in seven thematic areas as scored by APA - Total DLI#2 amount- US\$58m (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
Value	0.00	72.49	92.40
Date	12-Oct-2012	28-Oct-2015	04-Oct-2017

Comments

Average scores by the 14 Program Municipal LGs in strengthening their institutional performances in the seven Program thematic areas as scored by the APA in FY2016/17 was 84.48 percent after QAR review against a target of 80 percent.

►DLI#3: Program LGs have implemented their Infrastructure Action Plan utilizing Program financing as scored by the APA - Total DLI#3 amount - US\$38m (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
Value	0.00	0.00	70.07
Date	12-Oct-2012	28-Oct-2015	04-Oct-2017

Comments

Municipal LGs failed to meet the target of 90% of implementation of their infrastructure Action Plan utilizing the Program financing because of the long delays most experienced in the relocation of utilities which took on average between 6 to 8 months.

►DLI#4: Program LGs have implemented their CBP utilizing Program financing as scored by the APA - Total DLI#4 amount - US\$10m (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
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Value	0.00	92.86	100.00
Date	12-Oct-2012	28-Oct-2015	04-Oct-2017
Comments			
All 14 municipal LGs have implemented their CBP utilizing the Program financing covering three broad categories – retooling, discretionary capacity building activities, and career development.			

►DLI#5: MoLHUD has executed its CBP for Participating LGs - Total DLI#5 amount - US\$12m (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
Value	0.00	91.08	94.20
Date	12-Oct-2012	28-Oct-2015	04-Oct-2017
Comments			
MoLHUD has implemented 94.20 percent against a target of 90 percent for year four of the Program implementation.			

►DLI#6: Program LGs with Town Clerks in Place - Total DLI#6 amount - US\$6m. (Percentage)

	Baseline	Actual (Previous)	Actual (Current)
Value	78.00	100.00	100.00
Date	12-Dec-2012	28-Oct-2015	04-Oct-2017
Comments			
All 14 participating municipal LGs have Town Clerks in place.			

►DLI#7: Program LGs with functional IFMS in place - Total DLI#7 amount - US\$6m. (Number)

	Baseline	Actual (Previous)	Actual (Current)
Value	2.00	14.00	14.00
Date	12-Dec-2012	28-Oct-2015	04-Oct-2017
Comments			
14 out of the total of 14 Program Municipal LGs have IFMS in place and functioning properly.			

6. Results

Project Development Objective Indicators



►Indicator One: By EOP, x% of municipalities have improve the fiduciary, safeguards and urban planning process (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	84.48	92.42	90.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018

►Indicator Two: Percentage of total planned infrastructure completed by participating municipalities. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	72.93	75.24	90.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018

►Indicator Three: Number of project beneficiaries of which x% female (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1,066,000.00	848,662.00	797,205.00	1,360,516.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018

Overall Comments

Municipal LGs did not meet the target for local infrastructure targets as set out in the annual work plans due to delays in relocation of utilities where they lost about 6 to 8 months and challenges associated with contract management.

Intermediate Results Indicators



► Intermediate Result indicator One: Roads, street lights and drainage rehabilitated (Kilometers, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	31.35	33.40	60.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018

► Intermediate Result indicator Two: Garbage collected and disposed (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	668 tons (51%)	275,884(56%)	306,969 (60%)	300,000.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018

► Intermediate Result indicator Three: Establishment of bus parks, markets, parking lots (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.00	1.00	1.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018

► Intermediate Result Indicator Four: Municipal LGs with qualified core staff (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	11.00	14.00	14.00	14.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018



► Intermediate Result Indicator Five: Municipal LGs with at least 10% annual increase in OSR (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	6.00	6.00	14.00
Date	12-Dec-2012	30-Mar-2017	04-Oct-2017	31-Dec-2018

► Intermediate Result Indicator Six: Municipal LGs with clean Audit reports for previous year. (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	5.00	10.00	10.00	14.00
Date	12-Dec-2013	30-Mar-2017	04-Oct-2017	31-Dec-2018

► Intermediate Result Indicator Seven: Municipal LGs with actual expenditures on O&M more than 75% of the O&M budgeted amount (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	3.00	12.00	4.00	14.00
Date	12-Dec-2013	30-Mar-2017	04-Oct-2017	31-Dec-2018

► Intermediate Result Indicator Eight: Technical support by MoLHUD and implementation of the Program action plan to ensure achievement of Program results. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	87.00	94.00	90.00
Date	12-Dec-2013	30-Mar-2017	04-Oct-2017	31-Dec-2018



► Intermediate Results Indicator Nine: Municipalities with functional IFMS system in place (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.00	14.00	14.00	14.00
Date	12-Dec-2013	30-Mar-2017	04-Oct-2017	31-Dec-2018

Overall Comments

7. Clearance History

Person	Comments & Actions
Bernice K. Van Bronkhorst (PMGR) Practice Manager, GSU13 WASHINGTON, DC (IBRD)	<p><i>Disclosed and Archived on 21-Dec-2017 at 13:36:40</i></p>
Bernice K. Van Bronkhorst (PMGR) Practice Manager, GSU13 WASHINGTON, DC (IBRD)	<p>Thank you for the ISR and for incorporating the CMU's comments below. I am pleased to see continued good progress and implementation of the project and concur with the team's proposed ratings and upgrading of ratings (technical, E&S). The team will indeed need to work closely with the client to ensure timely completion of batch 2 works. With many thanks again.</p> <p><i>Approved on 21-Dec-2017 at 13:36:36</i></p>
Diarietou Gaye (CD) Country Director, AFCE2 NAIROBI, KENYA (IBRD)	<p><i>Timed out - advice not provided on 19-Dec-2017 at 14:11:53</i></p>
Sonia M. Wheeler Program Assistant, GSU19 WASHINGTON, DC (IBRD)	<p><i>Recommended on 08-Dec-2017 at 13:37:01</i></p>
Meskerem Brhane (PMGR) Practice Manager, GSU19 WASHINGTON, DC (IBRD)	<p><i>Disclosed and Archived on 07-Dec-2017 at 15:27:49</i></p>



Meskerem Brhane (PMGR)
Practice Manager, GSU19
WASHINGTON, DC (IBRD)

Dear Affouda and Patrice,
Thanks for the candid ISR and for proactivity in downgrading implementation progress and progress towards achievement of the PDO Moderately Unsatisfactory. The team is encouraged to continue its current close supervision with a focus on fiduciary, safeguards and technical aspects. With the completion of the MTR and agreement that the project will now rely exclusively on Bank funds, project should be restructured soon.
Best,
Mesky

Approved on 07-Dec-2017 at 15:27:45

Christina Malmberg Calvo (CD)
Country Manager, AFMUG
KAMPALA, UGANDA (IBRD)

The CMU thanks the team for revising the ISR and incorporating our comments, in particular revising the public disclosure section and updating the DLI data.

Advice Provided on 06-Dec-2017 at 07:31:19

Martin Onyach-Olaa
Sr Urban Spec., GSU13
KAMPALA, UGANDA (IBRD)

The ISR has been revised and CMU's comments incorporated. The revised version is submitted for decision. Best.

Recommended on 04-Dec-2017 at 02:30:43

Bernice K. Van Bronkhorst (PMGR)
Practice Manager, GSU13
WASHINGTON, DC (IBRD)

Please revise as requested by the CMU. Many thanks!

Returned for revision on 06-Nov-2017 at 16:32:36

Christina Malmberg Calvo (CD)
Country Manager, AFMUG
KAMPALA, UGANDA (IBRD)

Kindly revise the ISR. The team is commended for its continued support and close interaction with the client, which has seen overall implementation progress well. Although some challenges have been experienced with infrastructure activities in some municipalities, the team's prompt action to advise and support a disengagement of contractor is commendable. The team is advised to closely monitor the client to ensure the process of formal disengagement is promptly completed. The CMU notes that the team is concerned that the timeframe for completing batch 2 infrastructure investments may not be adequate. The team should continue to urge the client to expedite implementation of these activities. With regards to a possible extension, it is suggested that team comes back to the CMU during the next ISM (expected early 2018) with a proposal for a possible extension, taking into account the processing of the additional financing. With regards to the content of the ISR, the information provided in the disclosable version is too detailed and contains information that is not necessary for public view. We therefore ask the team to revise the ISR, and significantly shortened the section on Implementation Status and Key Decisions in the disclosable version (limiting it to paragraph 1). The information currently in paragraphs 2-4, can be moved to section 1.2 KEY ISSUES & PROJECT STATUS in the non-disclosable version. We note that the data for the DLIs is from October 28, 2015. When revising the ISR, the team is also encouraged to update the data with more recent figures.

Advice Provided on 02-Nov-2017 at 11:35:11



Martin Onyach-Olaa
Sr Urban Spec., GSU13
KAMPALA, UGANDA (IBRD)

The USMID ISR is recommended for advice and decision. Best.

Recommended on 27-Oct-2017 at 09:55:44



PROJECT INFORMATION

8. Key Dates

Key Project Dates

Bank Approval Date:28-Mar-2013

Effectiveness Date:04-Sep-2013

Planned Mid Term Review Date:22-Jul-2016

Actual Mid-Term Review Date:18-May-2016

Original Closing Date:31-Dec-2018

Revised Closing Date:31-Dec-2018

Related Project(s)

Project	Relationship	Status	Product Line	Team Leader	Country
P163515-Uganda Support to Municipal Infrastructure Development Program - Additional Financing	Additional Financing	Pipeline	IBRD/IDA	Martin Onyach-Olaa	Uganda

9. Team Composition

Bank Staff

Name	Role	Specialization	Unit	Phone No.	Location
Martin Onyach-Olaa	Team Leader	Sr. Urban Specialist	GSU13	5393+2218 /	KAMPALA, UGANDA
Emma Sameh Wadie Hobson	Team Leader	Urban Specialist	GSU13	5220+89295 /	WASHINGTON, DC
John Stephen Ajalu	Team Leader	Engineer	GSU13	5393+2230	KAMPALA, UGANDA
Annet Tamale Katuramu	Procurement Specialist	Procurement	GGO01	--	KAMPALA, UGANDA
Paul Kato Kamuchwezi	Financial Management Specialist	Financial Management	GGO31	5393+2240 /	KAMPALA, UGANDA
Abdu Muwonge	Team Member	Economics Analysis	GSU13	5327+6335 /	NAIROBI, KENYA
Boyenge Isasi Dieng	Social Safeguards Specialist	--	GSU07	5393+2257	KAMPALA, UGANDA
Harriet E. N. Kiwanuka	Team Member	--	AFMUG	5393+2220	KAMPALA, UGANDA
Vaideeswaran Sankaran	Environmental Safeguards Specialist	--	GEN06	--	NEW DELHI, INDIA

Extended Team

Name	Title	Organization	Office	Location
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10. Organizations

Name	Role	Contact	Title	Office Phone	Email
Ministry of Lands, Housing and Urban Development (MoLHUD)	Borrower/Recipient	Mrs Docus Okalany	Permanent Secretary	256414342931	skatsigaire@yahoo.com
Program Support Team	Implementing Agency	Isaac Mutenyo	Program Coordinator	+256781167666	imutenyo@gmail.com

11. Financial Management

Overdue Reports

	< 4 months	> 4 months	> 9 months
Financial Statement - Audit	--	--	--
	< 30 days	31 - 60 days	> 61 days
Interim Financial Reports	--	--	--

Overdue Issues

	< 30 days	31 - 60 days	> 61 days
Audit Issues	--	--	--
IFR Issues	--	--	--
General Supervision Issues	--	--	--