SUMMARY OF MISSION REPORT

Document Number:

Title of Mission: Employment Intensive Works in the Roads Sector of Uganda

Author: K. Osei - Bonsu

Status in ILO: Senior Expert, EIW, EAMAT

Status during mission: As above

Countries covered: Kenya and Uganda

Planned mission duration: 13 - 20 July 1997

Objectives:

1. To get acquainted with ongoing EIW activities in Uganda

2. To hold discussions with MoPED on the proposed ILO DANIDA ‘Support to Labour Based Policy Promotion Committee’ (LAPPCOM) Project.

3. To receive briefing from the Nairobi ASIST Office on all the initiatives taken by the office in Uganda and to familiarise myself with the ASIST Documentation centre.

Type of mission: Familiarisation and Exploratory mission

Sources of funding: EAMAT mission credits

Fields of action: EIW

Main Findings:

1. The feeder roads component of the Ugandan Transport Rehabilitation Project is beset with cash flow problems.

2. GTZ intends holding a project planning workshop on
employment policy issues and will be discussing the LAPPCOM Project document.

3. Danida is fielding a feasibility study team to determine the possibility of integrating LAPPCOM project into their Road Sector Development Programme.

Recommendations:

1. There is the urgent need for MOLG and IDA to address the constraints crippling the feeder roads component of the UTRP.

2. Comments raised by ASIST concerning the LAPPCOM project document to be incorporated in revising the work plan and budget for negotiation with the Danida review mission.

Envisaged follow-up: Refer to Par 3.0 of the report

ILO thesaurus descriptors:
1.0 CONDUCT OF THE MISSION

1.1 The mission was undertaken primarily to familiarise myself with the ongoing EIW projects in the roads sector in Uganda and to hold discussions with the Ministry of Planning and Economic Development (MoPED) on the proposed ILO-DANIDA ‘Support to Labour Based Policy Promotion Committee’ Project.

Prior to going to Uganda, I received briefing from the Nairobi ASIST office on the initiatives taken by the office in Uganda in respect of EIW activities. I also had the opportunity of discussing with Mr. David Stiedl who was on mission to Kenya, the ILO-Nordic Development Fund (NDF) agreement which requires the ILO through ASIST to provide advisory and monitoring services to the feeder roads component of the Ugandan Transport Rehabilitation project (UTRP).

Following the review of country responsibilities during the ASIST Bi-annual meeting of EIW Experts held in Harare from 5-9 May 1997, these services will now be rendered by EAMAT

2.0 FINDINGS AND RECOMMENDATIONS

2.1 UTRP

The EIW Expert had preliminary discussions in Nairobi on the status of the project with Mr. Stiedl and Mr. Illi, Regional Manager of Norconsult, the consulting firm charged with the implementation of the feeder roads component of the IDA funded UTRP.

Extensive discussions were held in Kampala with Mr. Karuma, Assistant Commissioner for Engineering and Mr. Higyeni, Senior Executive Engineer of the Ministry of Local Government (MOLG) and in Mbale with the project management team.

The Feeder Roads Project has the objective of establishing a feeder roads rehabilitation and maintenance capacity in four districts of Kapchorwa, Mbale, Pallisa and Tororo through the development of local small scale contractors using labour based techniques.

Technical assistance to the project is financed and provided by NDF and Norconsult respectively, whilst the ILO through ASIST provides monitoring and advisory services to MOLG for the implementation of the project.

The project has todate carried out training for fourteen contractors of which twelve are shortlisted to undertake the standard contracts following their successful completion of the 3-5 km trial contracts.
Inspite of the numerous challenges that the project has encountered in the implementation of the activities, it has demonstrated the efficacy of the labour based techniques for road works using the private sector. The underlisted constraints will however have to be quickly addressed if the project is to achieve the outputs stated in the document.

2.1.1. Cash flow

The project continues to face cash flow problems thus delaying the start of the standard contracts. Inspite of the increase in ceiling of the Credit Agreement US$ 500,000 to accommodate the increased number of contracts to be administered, the account is yet to be replenished with the said amount.

It was suggested to both MOLG and the project management that the award of the standard contract be staggered by letting out one contract per district using the available funds. The award of the contracts should be based on the performance of the contractors during the trial contract phase. Such a measure apart from maintaining the momentum of the training, will also minimise the loss of time in consultant services.

The late replenishment of funds as highlighted in the ASIST monitoring report of January 1997 is attributed to the fact that the Project Coordinator and Accountant are not signatories to the account.

It is necessary to find a lasting solution to this problem to increase the operational efficiency of the project management. The persistent delays in effecting payment for works executed by the contractors and the long waiting periods experienced in the award of contracts are having a negative impact on the project and could jeopardise the operations of the contractors.

2.1.2 Government of Uganda(GoU)

Releases from GoU are generally late and in insufficient amounts. 45 % of the funds earmarked for 1996/97 had been released as at the end of the financial year. Likewise, funds from the District Accounts for routine maintenance works are insufficient to fully engage the services of the trained contractors.

2.1.3 Equipment Leasing Agreement

The management of the contractor equipment lease is yet to be resolved 30 months into the implementation of the project. Correspondences between IDA and MOLG continue to be exchanged on the modalities for implementing the scheme.

The recent suggestion by IDA for the selection of a consulting firm to organise and manage the lease agreement thus ensuring that the total responsibility for the lease agreement lies with one body though ‘ideal’, might not be feasible under the prevailing economic situation. It is important for one to understand that the financial leasing institutions(FLI) are unwilling to take additional risks other than the ones they have the competence to manage. Secondly it has taken MOLG and the project team a great deal of time and effort going through the competitive bidding process to select
an institution which it deems most suited to manage the financial aspects of the equipment lease agreement.

It is thus crucial for a compromise to be reached on MOLG’s proposals that the East African Development Bank (EADB) manages the financial lease agreement whilst the project management provides the technical services for the equipment maintenance. The project Mechanical Engineer with the assistance of four recruited mechanics and an electrician could easily render these services to the contractors. Should MOLG and IDA fail to resolve this impasse, the project will not only stand the risk of loosing EADB to manage the lease agreement, but also risks loosing the trained contractors since they cannot continue to maintain trained supervisors without having a contract (a trained foreman receives about Ushs 350,000 per month).

2.1.4 Training Institute

Trainers from MOLG are yet to be attached to the training institute as counterparts to the technical assistance team. The issue was raised with MOLG and it was explained that as a result of the decentralisation exercise being implemented by the GoU, a lot of Engineers had been transferred to the districts thus making it almost impossible to assign Engineers to the institute. MOLG, however has made provision in the 1998 budget to recruit on contract basis, Engineers for the training institute.

2.1.5 Project Steering Committee (PSC)

A Technical Advisory Committee comprising of staff of MOLG and consultants engaged on various projects within the ministry has been constituted to produce technical specification manuals for compliance on all feeder roads. Though the idea is laudable, one should not substitute this committee with the Inter - ministerial Steering Committee proposed in the implementation manual of the UTRP which is mandated to provide overall policy guidance to the feeder roads project. The main constraints currently crippling the project could easily have been resolved by such a body had it been constituted. It is not late establishing the PSC which must comprise of MOLG Staff, representative from the World Bank Office, the four Districts, MoWTC, MoPED, the National Project Manager and the Project Coordinator.

2.2 Support to the Labour -Based Policy Promotion Project Document

Frank discussions were held with Mr. Ssekatawa on the above document which is to be funded under the ILO-DANIDA Multilateral Cooperation programme. Our discussions centred primarily on the immediate objective 2 of the document which states inter alia ‘Technical and administrative capacity to implement labour based work has been created in the District councils and the private sector’.

It was pointed out that the implementation proposal for the training will have little impact in the districts considering the duration of the time allocated for the courses and the corresponding resources assigned to the activities. Mr. Ssekatawa appreciated the relevance of the comments sent by ASIST and those raised during our discussions and indicated that these would be taken into account in reviewing the work plan and budget prior to the fielding of the Danida feasibility study team in September.
Danida has already expressed its willingness to continue support to the Mount Elgon training centre after the expiry of the IDA/NDF financed UTRP in 1999. Mr. Ssekatawa hinted that MoPED intends to attract other donors to participate in the project which should make it possible to cater for the development of contractors mentioned in the document. It was suggested that a copy of the project document be formally submitted to UNDP for assistance since UNDP has been involved in labour based projects in the immediate past.

A copy of the draft terms of reference for the feasibility study on potential Danida support to feeder roads and classified roads in 6 districts and use of labour intensive methods was given to me during the mission. The Royal Danish Embassy has extended an invitation to the ILO to participate in the discussions with the Danida feasibility study team.

GTZ is to start a new project in the Ministry of Labour which deals with employment policy matters and intends holding a project planning workshop from 11-13 August. the workshop will discuss policy issues in the LAPPCOM document. GTZ has requested ILO’s participation in the workshop.

2.3 **ASIST Documentation Centre**

The EIW Expert was updated on the recent collections that the center had acquired. Discussions were held with the information services unit of ASIST in Nairobi in connection with reference materials that the Area Office had ordered for the University of Addis Ababa.

Mr. Stiedl agreed to a suggestion that it would be useful for the information services Coordinator to undertake a mission to Addis Ababa to liaise with the Area Office Documentalist in compiling reference materials for the ASIST database.

2.4 **Study tour from Sudan**

I took the opportunity of my stay in Nairobi to finalise the proposed study tour to Kenya by the Sudanese Engineers and Policy makers with the Kisii Training Centre (KTC).

KTC management agreed to reschedule the tour for 7-19 September 1997.

3.0 **FOLLOW UP ACTION**

3.1 **By Author**

Participate in the GTZ project planning workshop in Kampala from 11-13 August

Request the Danish Embassy to forward the final programme for the Danida feasibility study and to participate in the mission.

3.2 **By ASIST**

Arrange to transfer funds earmarked under the ILO - NDF agreement to EAMAT for the continued provision of monitoring and advisory services to the feeder roads component of UTRP.
4.0 ACKNOWLEDGMENT

I wish to express my appreciation to Mr. Ssekatawa and the Mbale project management for their full cooperation and courtesy received during the mission.
### List of Persons met

#### Kampala

<table>
<thead>
<tr>
<th>Name</th>
<th>Position and Organization</th>
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<tbody>
<tr>
<td>John Ssekatawa</td>
<td>Senior Economist, MoPED</td>
</tr>
<tr>
<td>Kagyina Karuma</td>
<td>Assistant Commissioner for Engineering, MOLG</td>
</tr>
<tr>
<td>Were Hygyeni</td>
<td>Senior Executive Engineer, MOLG</td>
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<tr>
<td>Easter Santos</td>
<td>Transport Planning Engineer, UTRP/MOLG</td>
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<tr>
<td>Charles Whitmarsh</td>
<td>Management Consultant, Garnet Flemming/UTRP/MOLG</td>
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<td>John Okello</td>
<td>Programme Officer, UNDP</td>
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#### Mbale

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<tr>
<td>A.O. Asare</td>
<td>Construction Maintenance Specialist, NORCONSULT</td>
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<td>John S Otomo</td>
<td>National Project Manager, MOLG</td>
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#### Nairobi

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<th>Name</th>
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<tr>
<td>D. Stiedl</td>
<td>Programme Director, ASIST</td>
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<tr>
<td>D. Mason</td>
<td>Training and Information Manager, ASIST</td>
</tr>
<tr>
<td>Jan Fransen</td>
<td>Training and Urban Coordinator, ASIST</td>
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<tr>
<td>Angela Kabiru</td>
<td>Information Services Coordinator, ASIST</td>
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<tr>
<td>David Jennings</td>
<td>Training expert, Kisii Training Centre/MPW</td>
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<tr>
<td>Bruno Illi</td>
<td>Regional Manager, NORCONSULT A S</td>
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