



Transforming Settlements
of the Urban Poor in Uganda

A Secondary Cities Support Programme (TSUPU)

A Partnership between Cities Alliance and the Government of Uganda

PROGRAMME DOCUMENT

Programme Document approved by CA Consultative Group November 27, 2009

Revised Programme Document Approved by Programme Manager May 19, 2010



CA Member Partners:

The World Bank

UN Habitat

Slum Dwellers International (SDI)

United Cities and Local Governments (UCLG) represented by Urban Authorities Association in Uganda (JAAU)

Other Partners:

Ministry of Finance, Planning and Economic Development

Ministry of Land, Housing, and Urban Development

Ministry of Local Government

Municipality of Arua, Jinja, Kabale, Mbale and Mbarara

Makerere University

Energy Sector Management Assistance Program (ESMAP)

International City Managers Association

ABBREVIATIONS AND ACRONYMS

CUF	Community Upgrading Fund
ESMAP	Energy Management Assistance Program
GoU	Government of Uganda
ICMA	International City Managers Association
LSC	Land, Services and Citizenship for the urban poor
MDS	Municipal Development Strategy
MDF	Municipal wide Development Forum
MoFPED	Ministry of Finance, Planning and economic development
MoLG	Ministry of Local Government
MoLHUD	Ministry of Lands, Housing and Urban Development
MTEF	Medium-Term Expenditure Framework
UNUF	Uganda National Urban Forum
OM	Operational Manual
SDI	Slum Dwellers International
SSEMP	Strategic Social and Environmental Management Plan
SUPO	Settlement level Urban Poor Organisation
TSUPU	Transforming Settlements of the Urban Poor in Uganda – A Secondary Cities Support Programme
ULGA	Uganda Local Government Association
UN Habitat	United Nations Human Settlements Programme
UAAU	Urban Authorities Association of Uganda

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UGANDA

TRANSFORMING SETTLEMENTS OF THE URBAN POOR IN UGANDA A SECONDARY CITIES SUPPORT PROGRAMME

CITIES ALLIANCE

Date: 24 th of May 2010 Sector Manager/Director: William John Cobbett Project ID: P122475	Team Leader: Julian Baskin Sectors: Urban Themes: Land, Services and Citizenship for the Urban Poor Environmental screening category: B Safeguard screening category: B			
Project Financing Data:				
<input type="checkbox"/> Loan <input type="checkbox"/> Credit <input checked="" type="checkbox"/> Grant <input type="checkbox"/> Guarantee <input type="checkbox"/> Other: For Loans/Credits/Others: Total Cities Alliance financing: 4,017,000 USD				
Financing Plan (USD)				
Source	Local	Foreign	Total	
Cities Alliance :		4,017,000		
SDI		100,000	4,117,000	
Total		4,117,000		
Recipient: MoFPED, SDI and ICMA Responsible agency: MoLHUD				
Estimated disbursements (Bank FY/US\$)				
FY	2010	2011	2012	2013
Annual	1,470,000	849,000	849,000	849,000
Cumulative				
Project implementation period: 2010 - 2013 Expected effectiveness date: 1 st of July 2010 Expected closing date: 30 th of June 2013				

A. STRATEGIC CONTEXT AND RATIONALE

A.1 Country Context and Rational for Cities Alliance involvement

Like most developing countries in Sub Saharan Africa Uganda is experiencing rapid urbanisation. The inevitable process is happening not only in the context of a history of conflict, widespread poverty and shrinking peasant economies but also in the context of growth constraining limited and unreliable energy supply and an acute scarcity of resources available for local authorities. The country has a large population base of 30 million and a high population growth rate of 3.2% making it one of the fastest growing populations in Africa. This has serious implications in terms of demand for land, housing, water, health, education, jobs and municipal services as well as expected impacts on the environment. While Uganda still has a relatively low level of urbanisation, it has a high rate of urban growth estimated at 5.1% per annum. Kampala the capital city is by far the dominant city with a population of 1.5 million, but there has been a clear growth of secondary towns with 50% of the urban population now living in the 13 designated municipalities. It is projected that by the year 2035 Uganda's population will have grown to 68.4 million of which 30% will be in urban areas. In addition the country's economic growth patterns averaging 6.7% over the last decade supports the view that urbanization and agglomeration of people and higher order economic activity will occur. Within this context while the secondary towns are presently still relatively small, unless they are managed properly they will over time grow into large unplanned settlements. Uganda has the rare opportunity to proactively manage urbanisation within the secondary cities to ensure a better urban future for its residents. To do this the country must build the capacities of both government and urban poor communities to form a partnership to effectively manage urban growth prior to the inevitable formation of large slums that sadly characterize so many countries.

Through its membership, and accumulated years of global experience, the Cities Alliance has identified both successful and less effective approaches to slum upgrading. Consistent support to a diverse range of cities and countries in Latin America, Asia, African and the Middle East have highlighted essential lessons, which include:

- All attempts to stop, limit or manipulate urbanisation have failed, even when backed by violence and repression.
- Slum clearance, mass evictions or re-locating the poor to the urban periphery destroy livelihoods, embitter residents and merely displace the problem.
- Insecurity of tenure inhibits household investment into private housing and creates the conditions for exploitation via slum lords.
- Non-availability of sustainable and affordable energy has a marked impact on the quality of daily life and hampers economic growth (and thus employment) in urban areas, further enhancing the formation of slums.

- Lack of recognition of the rights of the urban poor leads to systematic under- investment in urban services, resulting in a downward slide towards slums of despair, characterised by exploitation and deprivation.
- Government investment without meaningful community involvement seldom becomes sustainable. Equally, community-driven projects without government support seldom have an impact at scale or lead to a programmatic approach to upgrading.
- Limited concepts of “the community” often fail to acknowledge the fact that gender, age and ability impacts on roles, needs and perceptions of urban development.
- There is a need for wholly new approaches to planning and urban management, moving away from regulation and control towards flexible inclusive planning instruments that allow authorities to address the real challenges—and opportunities—posed by urbanisation.

The “Transforming Settlements of the Urban Poor in Uganda – A Secondary Cities Support Programme” (TSUPU) is the first national initiative within the Cities Alliance’s global programme Land, Services and Citizenship for the Urban Poor (LSC). For the Cities Alliance and its members, this programme is the first significant attempt to implement the organizations Medium Term Strategy adopted in May 2008. To place this and the choice of Uganda in context, it is worth noting that the ”first premise of the Medium Term Strategy is that the Cities Alliance should prioritise working with those governments already committed to change and reform over time—for three main reasons: (i) the Cities Alliance support will have a far greater impact and (ii) the opportunities for learning and knowledge sharing will be greatly enhanced and (iii) the model or example to other cities or countries will be more emphatic.” Based on this a programme has been designed to support a selected group of developing countries who have recognized the importance of dealing with the challenge of rapid urbanisation, growing cities and deepening urban poverty.

This is the context that leads to the initial discussions between the Cities Alliance Secretariat (CAs) and the Ministry of Land, Housing and Urban Development (MoLHUD) and, at the same time, with the World Bank Country Director.

The TSUPU programme builds on the lessons identified above and has designed a set of activities that will help the Ugandan government to:

- 1) Identify and capture the positive elements of urbanisation, recognise the rights of the urban poor, and effectively manage the urbanisation process
- 2) Better understand complex urban land issues and work towards the formalisation of settlements and improved tenure rights.¹
- 3) Align national and other capital investments to integrated planning approaches so as to ensure that the outputs result in improved access to urban services (qualitative and quantitative) leading to settlements of transformation.²

¹ These rights can be achieved through a variety of different mechanisms;

² A Settlement of transformation is a settlement where social, and economic indicators are on an upward trajectory.

- 4) Build effective partnerships between national government, local government, slum communities and other stakeholders based on clearly defined negotiated rights and responsibilities. Partnerships that respond to realities and reflect the differing views and needs of the community profile (inclusive of women, youth, disabled, and other vulnerable groups).
- 5) Design new or improve town planning and urban management tools and approaches capable of responding to the scale of the challenge, and proactively planning for economic growth and future urbanisation to minimise the development of new slums.

The Government of Uganda has recognised the need to capture the positive impacts of urbanisation, and seeks to devise a strategy to enhance competitiveness of the urban sector in order to harness its potential as a driver of economic growth. At the same time, the World Bank through the Uganda Support to Municipal Infrastructure Development Project (USMID) is in the process of developing a significant pipeline of investments targeting the 13 municipalities outside of Kampala. One of the main objectives of the TSUPU programme, which works with a select 5 of the 13 municipalities, is to bring greater coherence of effort by creating an institutional framework for different stakeholders to align their efforts and finance towards common objectives. Key to building coherence is the alignment of purpose between national and sub national governments, and urban poor communities.

The initiative builds on the history of urban endeavor in Uganda. Since the early 1990's, Uganda has been undergoing a process of decentralisation with greater public participation in local issues. Considerable power and decision making has already been devolved to Local Governments. This has resulted in the creation of legal and institutional mandates that empower local governments to make decisions on issues that fall within their jurisdictions, promotion of popular participation and improvement in service delivery. While decentralization lays a foundation for effective urban management the secondary cities are faced with a number of critical challenges that left unchecked will result in increasingly marginalised urban poor communities and the growth of slums.

Responding to the National Development Plan the Ministry of Lands, Housing and Urban Development in its submission to the Cities Alliance has identified a number of key challenges including:

- Rapid Population Growth
- Outdated Urban Regulations
- Weak Linkages between social, economic, financial and physical planning
- Very limited capacity of local governments
- Marginalised Urban poor

In response to the request from the GoU, Cities Alliance working with its members, government and other development partners has jointly shaped a package of interventions that collectively respond to the challenges identified. Within this spirit the overarching objective of the TSUPU programme is to:

Create inclusive cities without slums in order to maximise the potential of urbanisation by proactively managing urban growth.

B. PROGRAMME DESCRIPTION

B.1 Guiding Principles

The TSUPU programme is based on the following guiding principles:

1. Support of national urban agenda

To strengthen and support the domestic urban initiatives of the Government of Uganda at both national and sub-national levels such that the country is better equipped to upgrade slums and proactively deal with, and benefit from, urban growth. The programme is designed to support existing and new initiatives of the Government of Uganda in achieving these objectives.

2. Re-energise and link into past and on-going urban initiatives

To recognise that a number of actors (including CA members) have over many years been engaged with a wide range of urban issues and that positive experience exists that needs to be built on. However while this body of knowledge exists it has typically become victim to the operational islands that often characterise development organisations and government. The programme would aim to identify the fruit of these initiatives and bring them back into the mainstream at national, municipal and community levels.

3. Promote community empowerment and participation

To recognise that for the urban poor to effectively engage with urban planning processes that affect their lives it is important that such communities are actively mobilised and empowered to participate in a meaningful way. Such processes should recognise the complexity of urban communities and institutionalise a platform for dialogue that will ensure that each group that makes up the community profile is given influential voice. A community profile would typically be based on gender, age and ability criteria amongst others.

4. Promote multi-stakeholder participation.

To recognise that sustainable urban development is a product of multi-stakeholder participation, and that the solution to problems and the response to opportunities only emerge when partnerships are forged between such stakeholders. A space for dialogue should be available

where such partnerships can be forged. Key stake holders include over and above the community representation, all organisations inside and outside of government involved in service delivery and development.

5. Investment alignment

To bring greater coherence of effort by creating an institutional framework that enables a myriad of stakeholders to align their efforts and finance towards common objectives. In particular, this programme is designed to articulate with the urban investment programme being jointly developed by the World Bank and the Government of Uganda. While the TSUPU programme only provides modest financial resources, it is designed to facilitate additional public and private investment into the urban sector by enabling a wide range of organisations to find the institutional hooks on which to hang support programmes.

6. Skills alignment

The institutional framework should also enable specialist organisations to link up with, complement and strengthen the broader development initiative. Within this context CA members and other agencies will work in partnership to support the TSUPU programme.

B.2 Objectives

The overarching objective of TSUPU programme is to:

Create inclusive cities without slums in order to maximise the potential of urbanisation by proactively managing urban growth.

In achieving the overarching objective, the funds would be used 1) strengthen the capacity and resources available to the urban poor, better enabling them to enter into development partnerships with the local government. 2) Strengthen the capacity of local government to inclusively plan and manage urban growth. 3) Support national and local policy dialogue to promote pro poor urban systemic change. Within this context the programme has three broad objectives:

Objective 1: At least 50,000 slum dwellers living within the 5 selected municipalities actively engage in both securing their rights and honouring their responsibilities through improved urban governance and formalisation.

Objective 2: At least 50,000 slum dwellers living within the 5 selected municipalities improve their qualitative and quantitative access to municipal services.

Objective 3: The Government of Uganda (national and sub national) in partnership with interested stakeholders develops effective and efficient inclusive urban development policies and strategies enabling the better management of future urban growth positively affecting the lives of 200,000 slum dweller households nationwide.

B.3 Geographic scope

The geographic scope of the programme results from intensive discussions with the Ministry of Lands, Housing and Urban Development and other stakeholders including SDI, GTZ and the World Bank country office. While considering i) a regional balance, ii) size and growth rate and iii) an equitable spread of resource, two different types of secondary cities have been identified as partners. The first category includes municipalities selected on the basis of their institutional capacity and relative good governance, while the second category includes municipalities selected on the basis of their trans-frontier economic potential. These include:

a) Jinja

Jinja is the second largest town in Uganda with an approximate population of 132,150 and a population growth rate of 3.2 % per annum. It is located within the Lake Victoria Basin about 80 km from Kampala, the national capital, and about 125km from the Kenyan border. The town was historically the centre for trade and industry within Uganda; however, much of the industrial base has either declined or transferred closer to the markets in Kampala. Besides subsistence agriculture, the immediate region is characterised by cash crop production such as tea, coffee and sugar. Due to the obvious attraction of the Nile, a tourism industry is developing based on whitewater rafting, horse riding, bird watching and bungee-jumping.

b) Mbarara

Mbarara municipality has an estimated population of 102,926 with a 5.1% annual population growth rate. It is the major urban centre serving the south-western region, located some 266km along the Kampala-Kabale highway. The economy is based mainly on a spread of agriculture, commerce and trade, light and small scale industry and informal sector activities.

c) Mbale

Mbale municipality has an estimated population of 86,642 and a 4% annual population growth rate. Located in the eastern part of Uganda, Mbale is one of the biggest commercial towns in Uganda. It serves as a regional link and gateway to Uganda, notably from Kenya. It is a transportation hub with good access to roads and railway. It has untapped tourism potential offered by the proximity to the Mount Elgon mountain range, rich biodiversity, historical heritage and cultural attractions.

d) Kabale

Kabale municipality has a population of 54,407 and a 4% annual population growth rate. It is a regional transport hub with road links to Kisoro, Kanungu, Kihhihi, Ntungamu, and Rukungiri districts. It is located close to the Rwanda border and has historically benefitted from cross-border trade. In recent times, the economy has declined due to stricter controls over cross-border movement with neighboring Rwanda. The municipality has a fledgling tourism industry based on the mountain gorillas.

e) Arua

Arua municipality has a population of 39,250 and a population growth rate of 4% per annum. It is an important local commercial centre and serves as a base for a large refugee population from Sudan and the Democratic Republic of Congo. In recent years, this population has been the base for dramatically increased cross-border trade. Furthermore, oil has recently been discovered in close proximity to the town, and it is expected that this will serve to attract a wide range of investments to the town as well as a large influx of new residents eager to search for work.

While the project would be active in five municipalities, the programme is explicitly designed to become a national programme through the systematic sharing of experiences and lessons with all Ugandan local governments. The sharing of these experiences and the assimilation of lessons will be spearheaded by the National Government, but with important roles also envisaged for the Urban Authorities Association of Uganda (UAAU), the University of Makerere, as well as all active Cities Alliance members and partners. National replication is essential to long-term success and, indeed, the sharing of these lessons with neighbouring countries should also be anticipated.

C. IMPLEMENTATION AND INSTITUTIONAL ARRANGEMENTS

The implementation and institutional arrangements aim to ensure:

- Maximum national and local ownership
- Project implementation through stakeholder partnerships
- Alignment of project implementation with national, municipal and community structures such that they operate as an integrated whole
- Alignment of the TSUPU programme with existing institutional strengths and help fill any gaps
- Identification of the best institutional arrangements for efficiency and effectiveness

TSUPU will be implemented over a period of three years plus the preparation phase of the programme. TSUPU will operate on a partnership basis that in the first instance brings together the following actors: 1) The World Bank Country Office, 2) National Government (MoLHUD, MoLG, MoFPED) 3) Municipal Governments, 4) organised communities in partnership with SDI, 5) Urban Authorities Association of Uganda (UAAU) in partnership with ICMA. 6) Universities 7) Energy Sector Management Assistance Programme (ESMAP) 8) UN Habitat 9) Habitat for Humanity

C.1 Key Partners

Cities Alliance

Cities Alliance will play a catalytic role, linking Uganda to international experience and Cities Alliance membership, as well as facilitating potential South-South cooperation and knowledge exchange. Cities Alliance is responsible for reporting back to the donors and will conduct supervision missions and receive reports from MoLHUD, UAAU/ICMA and SDI for review. CA will also together with the partners document the process and lessons learned. (For a description of Cities Alliance see Annex 3)

The World Bank Uganda Country Office

The World Bank is vital to project success and the WB Uganda Country office will play the role of pivotal Cities Alliance member for a number of clearly defined reasons:

- The World Bank has a strong country presence, a strong urban investment pipeline, and a clear interest in urban programming.
 - A strong country presence and accumulated knowledge of both government and urban issues is essential to legitimately and effectively accompany the process and offer targeted and meaningful advice/coaching. The Cities Alliance has no country presence and will monitor the project through quarterly visits. However, as with any programme there will be a need for constant and ongoing troubleshooting.
- It has a strong capacity to convene both the donor community and diverse government ministries.
 - An initiative of this type requires a high degree of integrated cooperation both between government ministries and between potential donors. While it is not the World Bank's role to actively convene stakeholders in realising day-to-day project objectives, the Bank is however uniquely positioned to convene such stakeholders as necessary. As such, the World Bank is positioned to play a pivotal check-and-balance role on the implementation of the project.
- It has a substantial loan pipeline in excess of \$100 million targeting urban infrastructure projects within the 13 municipalities of Uganda.
 - Ultimately, urban development and economic growth depends on capital investments. Within this spirit, the World Bank is packaging a substantial investment loan. However, if not conceptualised correctly, capital investments do not automatically lead to sustainable urban development. A fundamental indicator of success is therefore the proactive alignment of capital investment with the processes established under this initiative that help to define the needs and priorities of national and sub-national governments and communities. With its strong links into government, the

World Bank is the essential actor that can ensure that such alignment successfully occurs.

As a pivotal member of the Cities Alliance and the institution programmed to invest in urban development, the World Bank country office will play the following role:

- Facilitate the establishment of the institutional arrangements that are described in the grant agreement for the Set-Up phase.
- Act as the lead member on behalf of the Cities Alliance membership providing advice to and maintaining ongoing dialogue with other in country Cities Alliance members and the MoLHUD.
- Ensure that the World Bank country Office actively engages with the national and municipal urban dialogue.
- Align urban investment programs such as the “Uganda Support to Municipal Infrastructure Development Project” such that the participatory planning processes that the TSUPU program will promote inform investment choices.

National Government

Three ministries will be directly involved in the management arrangements of the TSUPU programme. Each of the ministries has an important discreet function that needs to be coordinated for success. The ministries are i) Ministry of Finance, Planning and Economic Development (MoFPED), ii) Ministry of Lands, Housing and Urban Development (MoLHUD), and iii) Ministry of Local Government (MoLG). A co-governance agreement between the three ministries will be entered into that clearly defines the working relationships between the different ministries and the leadership role of MoLHUD.

Ministry of Finance Planning and Economic Development (MoFPED)

MoFPED will be responsible for the overall financial aspect of the project including: management of the designated account, accounting, disbursement and replenishment and preparing annual interim financial reports and auditing which the MoLHUD is responsible for submitting to Cities Alliance at the agreed intervals.

Ministry of Lands, Housing and Urban Development (MoLHUD)

In order for project objectives to be realised within Uganda, a partner is required that will assume full responsibility of the project. The MoLHUD will be fully responsible using existing structures for the overall coordination, oversight, monitoring and evaluation of the TSUPU programme. This partner will constantly strategise to ensure programme progress. MoLHUD will be responsible for ensuring the quality and timeliness of implementation and that the programme complies with the Operational Manual. This includes putting in place agreements to institutionalise and formalise the partnerships. The ministry will together with the partners conduct annual performance reviews, recommend required budget adjustments and changes in

the Operational Manual, manage activities under its direct implementation responsibility, consolidate reports and financial statements received from municipalities and MoFPED, and facilitate and coordinate capacity building at national level.

In assuming this role, the Ministry will:

- Ensure through a formal co-governance agreement inter-governmental coordination and cooperation.
- Ensure that appropriate dedicated capacity is assigned to realise the mandated role of the ministry.
- Promote cross-learning between the five selected municipalities.
- Monitor and facilitate the effective flow of funds to the selected municipalities.
- Champion and help facilitate multi-stakeholder and community involvement at national and municipal levels.
- Ensure alignment of national and municipal level planning and budgeting processes
- Provide constant and regular oversight of local government activities and ensure report back to the Cities Alliance as defined in the grant agreement
- Advocate for mobilisation of national and local government resources to enhance the Community Upgrading Fund.

Ministry of Local Government (MoLG)

It is important to note that the parent ministry responsible for all local government (rural and urban) in Uganda is the Ministry of Local Government (MoLG) and not the Ministry of Lands, Housing and Urban Development. The MoLG has the mandate to inspect, monitor and ensure that there is compliance by local government with all statutory requirements and central government policy directives. All local government accounting officers are accountable to the Permanent Secretary of MoLG. The MoLG therefore has an important oversight role to ensure government procedures are followed in the implementation of the project, although it will not be directly involved in the implementation of the TSUPU, which is the mandate of MoLHUD. The MoLG will therefore ensure that the participating municipalities comply with the following norms:

- Project is captured in the Municipal Development Plan
- Project fund is captured in the municipal mid-term expenditure framework (MTEF) and annual budget is approved by council
- Records of receipts and expenditures for projects are properly kept for statutory audit as required by law for all public funds
- As the accounting officers, The Town Clerks for each municipality are held responsible for project funds and success.

- Project funds are used for the intended purposes by Internal Auditors regularly reviewing the fund utilisation and expenditures and conducting inspection audit of use of project funds

Municipal Council

It is at the municipality level where slum dwellers engage with government on a daily basis. There can be no meaningful impact on the lives of slum dwellers without the active involvement of municipal government. In effect the municipality is the key partner of the community in the pursuit of public community partnerships to resolve problems and unleash creative energy. While each municipality will appoint from within its existing structures a TSUPU programme coordinator for the operational work the Town clerk will be responsible for the performance of TSUPU with regards to planning, financial management and overall implementation quality and reporting. The strength of the programme will depend on the degree to which municipal government at both the political and administrative level takes ownership of the process.

As a key partner, the municipal government is responsible for driving the project at the local level to ensure project success. In assuming this role, the municipal government will:

- Ensure that a Council resolution supporting the programme is passed and recorded
- Have overall accountability for the use of funds at a local municipal level
- Ensure alignment of local community planning and outcomes to municipal planning and budgeting process
- Incorporate initiative into the existing organisational structure of municipality
- Provide ongoing technical and project planning support to the Settlement level Urban Poor Organisations

Communities mobilized and empowered through Slum Dwellers International (SDI)

Central to the TSUPU programme is that slum dwellers are a significant part of the solution to long-term incremental upgrading of slum areas. It is the partnership between slum dwellers and local and national government that will go a long way in ensuring success in long-term incremental upgrading of slum areas. In order to enable the effective partnering of slum dwellers it is important that they are mobilised and empowered. SDI is a transnational network of slum dweller organisations united at city and national level to form federations of the urban poor. SDI uses exchanges, saving schemes and enumerations as mobilising and developmental tools, creating accountability, self-reliance and financial and human resource management skills amongst the urban poor. SDI will be the partner mobilising the urban poor through the methodology of learning by doing. SDI works under an independent grant agreement with CA and reports directly to CA with copy to the municipalities and the MoLHUD. SDI will work closely with Local Government staff to ensure coordination and cooperation on the ground.

Slum Dwellers International (SDI) has intensive networks both in the East African region and internationally. Within Uganda through their active federations and affiliate NGO ACTogether, they have many years experience working principally in Kampala and Jinja. SDI brings to the programme; i) the organisation's grassroots understanding of slum communities ii) the established and growing international network, especially within East Africa iii) Expertise and experience in mobilising slum dwellers as active citizens. (Annex 4)

As the key mobilising partner, Slum Dwellers International will perform the following roles:

- Develop institutional capacity at the municipal level to support slum dweller federations.
- Support slum dwellers to engage with integrated local development planning processes
- Link international experience to the local context
- Identify lessons learned and link to national urban development forum

C.2 Support Partners

Urban Authorities Association of Uganda (UAAU) and International City Managers Association (ICMA)

The Urban Authorities Association of Uganda (UAAU) and the International City Management Association (ICMA) have entered into a formal partnership to assist the GoU to successfully implement the TSUPU program. This partnership focuses upon the urban management needs of local governments to achieve the specific objectives identified in the TSUPU program. Through this partnership, ICMA will support UAAU to increase its organisational capacity as a national municipal association assisting in providing urban management technical assistance and training to the five municipalities. This assistance will enhance the capacity of the municipalities to engage with their communities. The partnership has two objectives: Objective one is to improve the capacity of UAAU to be a more effective and sustainable municipal association representing the interests of urban local governments in Uganda. Objective two is to increase the capacity of the 5 municipalities by improving their urban management and planning systems to meet the goals of the TSUPU programme. As emphasised in the description of the activity it is important that the trainings complement initiatives by the MoLG, the Uganda Local Government Association and other actors.

As a support partner, Urban Authorities Association of Uganda will perform the following role:

- Facilitate that issues concerning local governments are clearly identified, understood, and presented to the national urban development forum for discussion.
- Identify effective practice and facilitate cross flow of information between local governments.
- Support processes to develop the capacity of local government to better meet its development agenda.

National Universities and Research Institutions

In support of the objective of supporting and building local capacities, the universities will actively engage with the project planning processes as a means of gaining practice based experience for both students and educators. In the first instance this will involve Makerere University who has an Urban Planning programme, but the initiative can also be extended to other relevant universities. The universities will also link in to the National Urban Development Forum and play a significant role in the participatory research commissioned by the forum.

C.3 Aligned Partners³

Energy Sector Management Assistance Program (ESMAP)

ESMAP will support the government of Uganda to formulate and implement policy reform measures and strategies to enhance Small and Medium Enterprises' (SME's) productivity as users of modern energy services. While not directly included in the activities listed, ESMAP will link with the mechanisms created under the TSUPU programme to disseminate best practices in empowering SMEs to help promote productive uses of energy. ESMAP will also conduct in partnership with Makerere University, a scoping study on energy use and access with clear policy recommendations. (Annex 5)

As a support partner, Energy Sector Management Assistance Program (ESMAP) will perform the following role:

- Link energy expertise into the municipal development strategy process
- Link results of local level scoping and research to national forum

Habitat for Humanity Uganda

For 25 years Habitat for Humanity has partnered with low income families to build simple, decent and affordable homes in Uganda. Habitat for Humanity will engage with the institutional framework developed under the TSUPU programme to support slum dwellers improve their housing. They will bring into the TSUPU programme their local and international knowledge pertaining to incremental housing construction and finance.

- Link expertise on incremental housing construction and finance into the municipal development strategy process
- Link local level knowledge to the national urban development forum

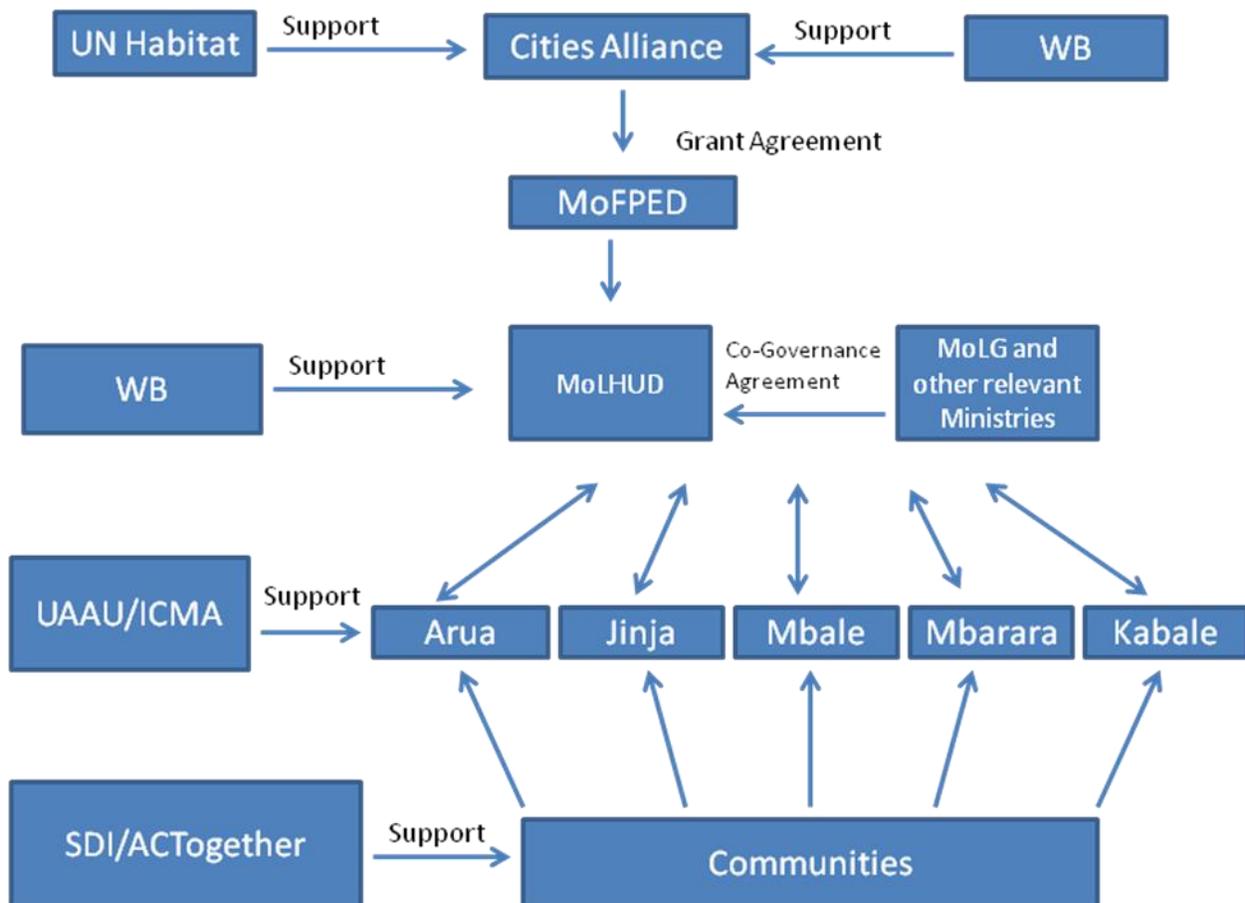
³ In support of the principles of investment and skills alignment, an aligned partner is an agency that actively supports TSUPU principles and objectives, but manages its programme independently

C.4 Global Partner

UN Habitat

As the United Nations agency for human settlements mandated to promote sustainable urban development and adequate shelter for all, UN Habitat has an internationally recognised body of global knowledge and skills. To this end the Cities Alliance proposes to enter into a separate agreement with the agency to provide advisory services to the global Land Services and Citizenship for the Urban Poor programme of which the TSUPU is part. International experience will be brought to bear on gender, youth, land, and housing finance and other matters as they arise. The shape and form of this agreement will be influenced by the demand of the partners in the different country programmes.

C.3 Project Management and Implementation arrangements



D. PROJECT ACTIVITIES

Objective 1: At least 50,000 slum dwellers living within the five selected municipalities actively engage in both securing their rights and honouring their responsibilities through improved urban governance and formalisation (US\$871,500)

This objective serves to counterbalance the circumstances that marginalise urban poor communities and infringe on their capacities to be full and active citizens. Perhaps the greatest challenge for the urban poor is the constant threat of eviction and the exploitation they suffer due to the lack of legal protections in the settlement and development of land. In many cities the degree of marginalisation is so complete that urban poor households do not even exist on a map. For the urban poor to be citizens they need to be secure, invest in their households and actively participate in the process of finding solutions to community challenges

1.1) Set up phase of the project (195,500 USD, WB)

To ensure that certain activities are started while the larger programme agreements are finalised the World Bank will manage a grant covering preparatory activities aimed at establishing the institutional framework necessary to ensure clear roles and responsibilities and seamless cooperation and coordination between partners for the effective implementation of the TSUPU.

1.2) Capture and expand SDIs Learning by Doing approach to Rights and Responsibilities (25,000 USD, SDI)

The fundamental premise underlying the TSUPU is the belief that all people have rights, but how these rights are realised is a result of dialogue and engagement between communities, local governments and service providers. It is through this active process of engagement that creative partnerships emerge and new ways of sustainable service delivery are found. The promotion of rights and reciprocal responsibilities is inherent in the Learning by Doing methodologies of SDI but has not been fully developed as a methodology covering the diverse aspects of this programme.

The objective of this activity is to enable SDI to document its Learning by Doing approach from a Rights and Responsibility prism in order to refine and expand the approaches to effectively enable urban poor communities to build the capacity to actively engage in constructive, result-oriented public community dialogue. Presently SDI is linking its learning by doing approach to three main interventions including saving schemes, enumerations and exchanges (refer activity 1.4, 1.5, and 2.1) Over and above the objectives of SDI's current approaches the Learning by Doing methodology will be expanded to include an understanding of urban government and governance, community profiles (with a focus on gender), sustainable urban planning and development, conflict resolution, and partnerships.

By documenting this process, this approach can be shared and understood by all actors nationally and internationally.

1.3) Establish Municipal wide Development Forums (81,000 USD, Municipalities)

This activity aims to formalise municipal-wide Development Forums where organised urban poor, local government, service providers, private sector and other stakeholders meet on a regular basis to exchange views, debate priorities and agree on common actions. The Forum is convened and supported by the local authority. The chairing of the Forum would typically be rotated between the different stakeholders constituting the forum management body. The Forum is a basic institution that will inform pro-poor approaches to urban development at the municipal level which implies significant representation from the communities of the urban poor in all such forums. The Forum should ultimately be institutionalised as it is the fundamental building block towards good governance and the creation of on-going public community partnerships. Participation of women and youth in the Forum is essential, together with a focus on their different perceptions, needs, roles and responsibilities in the urban setting. It is envisaged that other existing institutionalised mechanisms of engagement would be incorporated over time into the rationality of a single regular development forum.

1.4) Registration and survey of all households and small businesses located within slum settlements (350,000 USD, SDI)

The act of registering and enumerating all household structures and businesses is a very tangible step in the process of local government recognition and the building of an active citizenship. A pre phase of the process is the development of Settlement Profiles in each municipality before the larger enumeration and survey exercise takes place. While organisations of the urban poor have proved that they are very effective in gathering data and conducting enumeration exercises, it is essential that the data is accepted and formalised by the local governments. The process is typically conducted in two steps where organisations of the urban poor gather the necessary data and conduct the enumeration, and the local governments verifies the data and signs off on the final product. The process would be in partnership calling for the inputs of local planners and other key constituents that utilise data for planning purposes.

The validation of this community-based data by local authorities entails a tacit commitment that such information will be incorporated into the planning processes of the Municipal Development Strategies and also be integrated into relevant databases of local government. All such data will be collected and shared in the spirit of good faith, and slum dwellers will be protected by agreed safeguards against forced eviction.

1.5) The formation of local community savings groups (110,000 USD, SDI)

The activity will involve the provision of support to the urban poor and their organisations to establish savings mechanisms that are controlled and managed by the urban poor themselves.

The savings groups enable poor households to access affordable finance. Internationally this practice has been well documented as an effective component of the poor, especially women, building their own capacity and increasing their organisational ability while gaining access to affordable finance. It provides the means by which the poor can effectively demonstrate their responsibilities, and participate as citizens working with government to secure land tenure and invest in the upgrading of their own shelters and services. SDI has developed learning by doing methodologies that link the formation of saving groups to the mobilisation of slum communities and the broader urban developmental agenda.

1.6) Participatory action research into issues that affect access to land and increased security of tenure of the urban poor. (90,000 USD, MoLHUD)

In many towns in Uganda, the urban poor, and especially women do not have access to secure tenure. This is a major impediment to development as security of tenure gives a sense of permanence necessary to form the basis for increased investment in shelter. This activity aims at supporting the establishment of systems that clearly define and protect rights and responsibilities attached to urban land usage, occupation and ownership by facilitating improvements in the legal framework that governs 1) the process by which settlement and access to land occurs; 2) the processes that govern relocation due to state (national and local) planning; and 3) tenant landlord relationships. The participatory action research will look into rights and responsibilities of all parties with clear guidelines and recommendations on mechanisms for conflict resolution. The underpinning principle governing this engagement is that forced eviction of those dwelling in informal settlements will only be pursued as a last resort after meaningful engagement with affected communities, and with resettlement options that cause minimal disruption to their communal and economic life. This activity is linked to and will be supported by the Municipal Development Strategy, the slum upgrading action plans, and the Municipal and National Urban Forums in the TSUPU programme. As the lead partner on this activity, the MoLHUD will ensure that the commissioned researchers engage the municipal wide development forums in order to ensure that organised communities are fully engaged in all aspects of the action research including methodology, and that relevant community collected data is utilised.

Objective 2: At least 50,000 slum dwellers living within the 5 selected municipalities improve their qualitative and quantitative access to municipal services (US\$ 2,150,000)

This component supports the ongoing efforts of communities and local governments to improve the quality and quantity of services available to the urban poor in the participating five municipalities. The project does not promote a prescribed sector approach to urban development, but rather the mobilisation of resources and the incremental delivery of services according to agreed local plans and priorities. The activities provide incentives for communities and local governments to continue to implement and scale up improved access to services for the urban poor through enhanced capacity of communities to prioritise, plan and implement small projects, the development of a long term inclusive Municipal Development Strategies with Slum Upgrading Action Plans, and improvements in municipal management and planning systems.

2.1) Formation and capacity building of Settlement level Urban Poor Organisations (110,000 USD, SDI)

As part of mobilising urban poor communities it is important that local Settlement level Urban Poor Organisations are empowered to effectively engage in local-level planning and to negotiate with service providers. The basis for Settlement level Urban Poor Organisations is inextricably linked to the establishment of savings groups (Refer Activity 1.6). Saving groups breed unity, leadership and sense of common purpose that form the basis for these larger organisations at the settlement and municipal level. The experience within the SDI network of these relationships is that savings groups work as vectors for learning and cohesion within the greater framework of settlement-level groups. With a strong focus on women, they work as well to include the needs of women in local urban planning priorities. Commonly these groups already exist in some shape or form, and SDI/ACTogether will engage with all such structures to craft a system capable of empowering Settlement level Urban Poor Organisations so they over time can both initiate and replicate local initiatives, which will be a key indicator of success.

2.2) The development of Municipal Development Strategies and Plans (450,000 USD, Municipalities)

The purpose of this activity is to support the development of a long term Municipal Development Strategy (MDS) in each of the five participating municipalities. Fundamental to any MDS is the broad issue of local economic development and the strategic positioning of the municipality into the larger sub-regional, regional, national and global economies. The purpose of this activity is to strengthen planning at the municipal level through broad-based participation and negotiated priorities. The MDS aims to bring coherence to disparate on-going planning processes within a long-term vision for municipal development. It ultimately must guide the preparation of the Municipal Development Plan (MDP) which is linked to Medium-Term Expenditure Framework (MTEF), annual budget and annual transfers in order to be sustainable.

Working through the multi-stakeholder Municipal Development Forums MDS's will be developed that includes the following key elements:

- Land use plans—Physical urban growth needs to be managed. Such strategies need to ensure the identification and provision of adequate, affordable land for future settlement.
- Slum Upgrading Strategy (SUS) and Planning for future urbanisation - An integral part of the MDS is a citywide general SUS that addresses the concerns of the urban poor.- Slum upgrading is often little more than a reactive set of sectoral activities, trying to repair damage after the fact. Even while cities (and donors) are developing projects, and some slum upgrading is taking place, new slum formation is in progress. A comprehensive approach to slum upgrading needs to focus on the whole city, and deal with the systemic failures that gave rise to existing slums. Unchanged, the same policies will cause the next generation of slums to appear even as the current slums are being upgraded. This activity aims to draw the linkages between slum upgrading and managed urban growth.

- Energy—Successful urban development requires energy for household consumption and economic production by the urban poor. A MDS should answer the question as to how these energy needs will be met.
- Environment —A key element of the MDS will be to develop an Environmental Management Plan (EMP). The EMP proactively identifies both the environmental assets and environmental challenges facing the community.
- Capital investment and revenue strategy —Too often the MDS concludes with no more than a “wish list”, with very little attention paid to how the investments and initiatives identified would be financed including assessing domestic revenue collection.
- Municipal Development Plan – the plan which captures all the investments in the municipality to realize the municipal strategy and vision within a time frame consistent with the National Development Planning frame work.

As a principle the planning process undertaken should ensure effective use and application of information developed through community-led enumeration and survey activities and other relevant existing information.

The MDS will be financed following the development of a separate proposal. The proposal submitted to the Cities Alliance should reflect a process that ensures that the MDS will be developed in a manner that captures the priorities of participating municipalities and their urban poor communities.

**2.3) The development of detailed municipal Slum Upgrading Action Plans
250,000 USD (125,000 USD to Municipalities, and 125,000 USD to SDI)**

Informed by the Slum Upgrading Strategy undertaken as part of the MDS process (Reference 2.2), this activity aims at facilitating the collaboration between communities, technical support staff/agencies and local government in developing local slum upgrading action plans that meet the real requirements of slum dwellers. The plans developed at settlement level will include the identification of priority interventions with technical design and a bill of quantities enabling future costing. Critically the plans identify structures requiring relocation, and the agreed approach to undertaking such relocations. The plans will be developed based on the interaction between community planning initiatives and appropriate technical support. A major issue to be tackled will be the standards stipulated by the local authority, which are often unrealistic and unattainable for slum dwellers except through incremental improvements.

2.4) The establishment of Community Upgrading Funds in each participating municipality (1,140,000 USD, Municipalities)

The fund has two clear overarching objectives: In the first instance the objective of the fund is to enable settlement-based community organisations to access grants to finance initiatives that meet certain clearly defined criteria. Access to small grants no larger than 15,000 USD enables rapid and visible progress to occur while larger policy debates are taking place. In addition to having a

measurable impact on the quality of life of slum dwellers the process builds skills of participatory planning and participation, and helps raising the profile of Settlement level Urban Poor Organisations. Secondly, the fund enables constructive partnerships between local government and Settlement level Urban Poor Organisations. The institutional location of the CUF should help strengthen the systems of local governance and municipal service provision. The institutional design of the CUF will as far as possible use existing mechanisms and experience, and will be over sighted by a mechanism that includes political and official representation from local government as well as representatives of Settlement and Municipal level Urban Poor Organisations. It is envisaged that the fund will be in time be substantially enlarged by contributions from national and municipal government and include contributions from international agencies, the private sector, and the communities themselves. The process of defining the operational characteristics of the fund will be inclusive of both the local governments and SDI who have considerable experience in fund establishment and management. It should build on good practices both within Uganda and internationally. The activity entails the establishment of a CUF Operational Manual which describes clearly how the fund will function including procedures to apply, criteria for evaluating applications, a safeguards framework, as well as monitoring and supervision. The CUF Operational Manual agreed by the municipalities, SDI, and Cities Alliance will be a pre-requisite for releasing the first tranche for the fund.

2.5) Support for identified improvements in municipal management and planning systems (180,000 USD, Municipalities)

A constraint to effective urban management is weak municipal management and planning systems. Often relatively small changes in the management and planning systems of local governments can have a big positive impact. Sometimes it is simply the enforcement of existing bylaws or the clarification of procedures that can help resolve a problem. At other times it is the weak management of information that hinders effective delivery. This activity aims to improve the capacity of local government by investing in small changes to systems in the interest of slum dwellers. The nature of these changes will be identified by each municipality after a process of engagement with UAAU/ICMA especially focusing on internal systems. The funds will be released from MoLHUD to each municipality on the basis of a proposal developed by the municipality.

Objective 3: Develop effective and efficient inclusive urban development policies and strategies enabling the better management of future urban growth positively affecting the lives of 200,000 slum dweller households nationwide (US\$ 996,500)

This component supports national level policy and practice knowledge management activities essential for the promotion of a pro poor urban agenda. Activities supported under this component includes a National forum for learning and dialogue, research into defined urban issues to inform policy and practice, a nationwide campaign for sustainable urbanisation, and the promotion of partnerships between universities and urban development actors for developing responsive human capacities to the sector.

3.1) The establishment of the National Urban Development Forum (60,300 USD)

This activity aims at facilitating an internal in country debate on urban issues and, most significantly on how urbanisation will gradually change the social and economic fabric of the country. The National Urban Development Forum will be hosted by MoLHUD and managed by an executive committee drawn from the forum members. The Forum will be a platform for an ongoing and structured dialogue focusing on the need to develop policy to resolve real problems experienced by poor, heterogeneous urban communities. It is important that the Forum finds a way to enable inputs from the communities and the local authorities into the national urban debate. Furthermore, the debate needs to be enriched by the participation of the wide variety of actors who have urban programming experience both nationally and internationally.

3.2) The commissioning of action research into defined urban problems identified at the National Urban Development Forum (135,000 USD, MoLHUD)

This activity supports the commissioning of practical research into defined urban problems resulting in policy recommendations for more effective urban planning and management that will support the development of inclusive cities.⁴ The activity makes resources available to finance research on issues identified at the National Urban Forum. In the interests of building local capacities the research is to be preferentially commissioned out as far as possible to Ugandan universities who may identify appropriate partners for collaboration and support. In addition, the Cities Alliance through its members will support the process by making available international best practice.

3.3) The development of a National Urban Campaign (150,000 USD, Covered by National Urban Policy Proposal)

This activity involves support for a national campaign on sustainable urbanisation. The process involves the planning, collection of data and the packaging of information targeted at schools, universities, civil society, religious groups and government. The objective of the campaign is to increase widespread public understanding of the broad urban development agenda through the creative use of media and other communication forms, tailored to Ugandan needs and priorities. This campaign is an integral part of the Development of the National Urban Policy and Strategic Urban Development Plan for Uganda project.

⁴ An Inclusive City promotes growth with equity. It is a place where everyone, regardless of their economic means, gender, race, ethnicity or religion, is enabled and empowered to fully participate in the social, economic and political opportunities that cities have to offer. Participatory planning and decision-making are at the heart of the Inclusive City.

3.4) To support the integration of Makerere University into the broader urban development agenda through i) internships and ii) public lectures (90,000 USD, MoLHUD)

The ability to effectively manage urbanisation will ultimately depend on the capacity to train and supply the municipalities with appropriately qualified personnel. The objective of this activity is to provide the university with the opportunity to directly participate in the planning and research processes at all three levels of the project—namely community, municipality and national—and to help ensure that students are equipped with skills that Uganda will need for decades to come. To this effect this activity aims to engage urban planning students and students from other relevant fields to actively participate in practical planning and applied research processes. Secondly, facilitate internships for students in a variety of relevant institutions including the selected municipalities, MoLHUD, and SDI/ACTogether. In addition support university-led public lectures series to raise the profile of urban development amongst the academia and beyond.

3.5) The development of a municipal institutional leadership programme (229,500 USD, ICMA/UAAU)

A key to successful local governance is the ability to effectively engage with stakeholders in a way that inspires confidence and mobilises additional resources. This requires a political leadership capable of outreach and effective communication. This activity aims to build the institutional leadership of both the operational and political spheres so that they work better as a team and systematically improves urban management skills and more effective community outreach and communication. It is important that this training compliments other trainings offered by MoLG, the Uganda Local Government Association (ULGA), and other agencies. This activity is funded by Cities Alliance core funds, and a separate grant agreement between ICMA/UAAU will be prepared.

3.6) Development of the National Urban Policy and Strategic Urban Development Plan for Uganda (450,000 USD, MoLHUD)

Uganda does not yet have a national urban policy to guide the urbanisation process, ensure orderly development and enhance urban management. The proposed initiative seeks to develop a national Urban Policy and Strategic Urban Development Plan for Uganda through a participatory process facilitated through the National Urban Development Forum and other forms of consultations. The Policy will address issues of urban poverty, urban service delivery, rural-urban migration and economic growth and regional balance. The details of the project are described in a separate proposal that predates the TSUPU programme but has subsequently been incorporated as part of the overall approach.

D.1 Log Frame Activities TSUPU

Input USD		Activity	Output	Outcome	Assumption
Objective 1: At least 50,000 slum dwellers living within the five selected municipalities actively engage in both securing their rights and honouring their responsibilities through improved urban governance and formalisation					
195,000	1.1	Set-Up Phase of the Project	Preparatory activities for the institutional framework in place	Clear roles and responsibilities and seamless cooperation and coordination between partners	Before the programme kicks off certain institutional arrangements need to be in place.
25,000	1.2	Capture and expand SDIs learning by doing approach to Rights and Responsibilities	SDI's learning by doing approach better includes rights and responsibilities. The approach is documented and disseminated to partners within and outside the programme	SDI's learning by doing approach actively incorporates rights and responsibilities, and actors within and outside the programme understands the methodology.	The lack of knowledge of and inability of communities to actively engage for their realisation of rights and responsibilities impedes the development of local solutions
81,000	1.3	Establish Municipal wide Development Forums	A forum in each of the 5 municipalities where the voice of the urban poor is articulated and heard, key problems identified and partnership solutions sought, partners held to account for assumed roles and responsibilities and local issues inform the MDS	Consensus-based planning and negotiated public community partnerships based on rights and reciprocal responsibilities	Regular, result-oriented dialogue occurs between service providers, slum dwellers, and other organised stakeholders, resulting in negotiated solutions to local problems
350,000	1.4	Registration and survey of all households and small businesses located within slum settlements	All household members in slum settlement registered. All small business (informal and formal) registered. A community oriented data base of socio/economic realities. Communities mobilised and empowered in the process of enumeration and data collection.	Greater sense of responsibility to the household and greater ownership by the household	A major barrier to citizenship and addressing services is lack of information on slum settlements, and lack of an address
110,000	1.5	The formation of local community savings groups	Increased access to affordable finance by poor households	Incremental increase in the quality of housing	A major barrier to investment in incremental housing is lack of accessible finance for the poor

90,000	1.6	Participatory action research into issues that affect access to land and increased security of tenure of the urban poor	Clear policy recommendations on improved legal access to land and increased security of tenure discussed at municipal council and national government level	Improved household investment into incremental housing that derives from an increased sense of land tenure rights	That an improved sense of security of tenure results in increased investment in shelter
Objective 2: At least 50,000 slum dwellers living within the five selected municipalities improve their qualitative and quantitative access to municipal services.					
110,000	2.1	Formation and Capacity building of Settlement Level Urban Poor Organisations	Settlement level Urban Poor Organisations empowered in community development techniques and participatory planning processes	Empowered citizen organisations with high level participation of women able to effectively promote the realisation of their community rights	That slum dweller rights will only be realised through the active involvement of slum dwellers
450,000	2.2	The development of Municipal Development Strategies (MDS)	A MDS for each of the 5 municipalities that includes; <ul style="list-style-type: none"> - Plan for future urbanisation that proactively makes land available for urban poor - Slum Upgrading strategy - Focus on adequate energy for household production and consumption - Environmental Management Plan - Local Economic Development Plan 	Municipalities are able to proactively respond to the opportunities of urbanisation by guiding future sustainable urban growth and investment	Unplanned municipalities with no strategic vision will always be reacting to slum formation and never responding to the opportunities of urbanisation
250,000	2.3	The development of detailed municipal Slum Upgrading Action Plans	Slum communities and local government engage and develop action plans in identified slum settlements.	The alignment of local planning initiatives with national and multi-lateral funding	Consensus plans that incorporate public-community partnerships provide the basis for national and multi lateral funding
1,140,000	2.4	The establishment of Community Upgrading Funds in each participating municipality	The implementation of community-based projects that increase community cohesion through joint action leading to an improved living environment	Increased collaboration between local authorities and communities better institutionalised.	Greater collaboration between communities and local authorities enables the resolution of small problems. Often the resolution of small things such as painting a previously unpainted school or landscaping a vacant lot can help build community cohesion
180,000	2.5	Support for identified improvements in municipal	Systems operating with increased efficiency and effect	Improved levels of service delivery	Small system changes can have a significant effect.

		management and planning systems			
Objective 3: The Government of Uganda (national and sub national) in partnership with interested stake holders develops effective and efficient inclusive urban development policies and strategies enabling the better management of future urban growth positively affecting the lives of 200,000 slum dweller households nationwide					
60,300	3.1	The establishment of the National Urban Development Forum	An inclusive debate on urban issues leading to policy recommendations	A clear definition of problems and the establishment of an urban policy agenda	That the regular meeting of practical urban actors publicly focusing on urban issues will help raise the profile of the urban development agenda
135,000	3.2	The commissioning of action research into defined urban problems identified at the National Urban Development Forum	Key problems identified through national forum process better understood and inform national urban policy formulation.	Policy changes leading to improved urban planning and management	Inappropriate planning systems and policy frameworks are a major impediment to managed urbanisation and serviced delivery
	3.3	The development of a National Urban Campaign	Greater public and political awareness on the need for sustainable urban development	The national profile of the urban agenda is raised.	The urban agenda will only be fully promoted when citizens understand the issues and how they relate to them
90,000	3.4	To support the integration of Makerere University into the broader urban development agenda through i) internships and ii) public lectures	Opportunities for interactive planning with a practice-based approach produces Planners trained in relevant skills to better support national and local urban planning	National and local government develops an improved capacity to plan.	A major impediment to effective planning is the disconnect between planning education and the practical needs of local governments
194,500	3.5	The development of a municipal institutional leadership programme	Improved institutional leadership	Improved institutional performance	A strong positive correlation exists between institutional leadership and service delivery.
450,000	3.6	Development of the National Urban Policy and Strategic Urban development plan for Uganda	Urban Policy crafted and adopted by National government	A national vision and framework in place that guides the management of current and future urbanisation.	Sustainable urbanisation is best achieved supported by an enabling urban policy framework

D.2 Implementation Plan by actor

Main Activities		Key Deliverables	FY 2010 Prep activities				FY2011				FY2012				FY2013			
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
The World Bank			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
1.1	Set-Up Phase of the Project																	
	Develop Operational Manual for Project	Comprehensive Operational Manual																
	Develop MOU's and Co-governance Agreements	Co-governance agreement																
	Preparation of Detailed Municipal Profiles																	
The Ministry of Lands, Housing, and Urban Development (MoLHUD)			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
1.6	Participatory action research into issues that affect access to land and increased security of tenure of the urban poor																	
	Research on security of tenure	Research reports with policy recommendations																
	Research with policy recommendations presented to UNUF	UNUF proceedings																
3.1	Uganda National Urban Forum																	
	Develop ToR for the UNUF with operational guidelines	Operational Guidelines and charter agreed and endorsed																
	Convene quarterly UNUFs each year	Quarterly UNUF proceedings																
	Identify and approve research agenda	Prioritised list of research areas																
3.2	The commissioning of action research into defined urban problems																	
	Commission research agenda	Research ToRs																
	Policy recommendations presented at UNUF	UNUF proceedings																
3.3	National Urban Campaign																	
	Design and plan the campaign	Campaign strategy document																
	Develop and disseminate campaign materials and organize events	Campaign Materials, event media coverage																
3.4	Support the integration of Makerere University into broader urban dev agenda																	
	Students to actively participate in practical planning and applied research	Methodology in research reports																

	Internships for students	Annual Internship performance report																	
	Organise public lectures	Proceedings of public lectures																	
3.6	Development of the National Urban Policy and Strategic Urban development plan for Uganda																		
	Develop National Urban Policy	Policy and Strategy Document																	
5 Municipalities			1	2	3	4													
1.3	Establish Municipal wide Development Forums																		
	Develop Operational Manual for the MDF	Approved Operational Manual																	
	Forum executive committee established and coordinator assigned	Action Plan and Budget																	
	Launching of the MDF	Event report																	
	Convene at least 6 Forums each year	Forum Proceedings																	
2.2	The development of Municipal Development Strategies (MDS)																		
	Develop and submit a MDS proposal to CA	MDS Proposal																	
	Conduct MDS process as described in proposal	MDS document																	
2.3.	Slum Upgrading Action Plan – Municipal part																		
1	Engage with SUPOs in identification of priority infrastructure projects per slum settlement	Plan with prioritized projects endorsed by SUPOs																	
	Engage with SUPOs in technical design and costing of projects	Detailed project plans with costing endorsed by SUPOs																	
	Mobilise financial resources for project implementation	Financial resources allocated																	
2.4	Community Upgrading Fund																		
	Develop Operational Manual (OM) and establish the CUF	Approved Manual, dedicated bank account and signatories made public																	
	Safeguards and oversight of CUF as per OM	Safeguards Framework approved																	
	Disbursement of grants as per OM	# of community led small projects implemented																	
2.5	Support for improvements in municipal management and planning systems																		
	Manage sub-grants for system improvements	System improvement implementation and evaluation report																	
Slum Dwellers International			1	2	3	4													

1.2	Capture and expand SDI's Learning by Doing approach to Rights and Responsibilities																		
	Assess and document SDI's Learning by Doing approach to Rights and Responsibilities	Report																	
	Refine SDI's Learning by Doing approach to Rights and Responsibilities	Action Plan																	
	Disseminate SDI's Learning by Doing approach to Rights and Responsibilities report	Dissemination report																	
1.4	Registration and survey of all households and small businesses located within slum settlements																		
	Settlement Profiling	Settlement Profiles Report at municipal level																	
	Household survey-census and house and business numbering	Municipal wide Survey Result Report verified and endorsed by Municipal Authorities																	
	Mapping of Settlements	Verified and endorsed cadastral maps of settlements																	
1.5	The formation of local community savings groups																		
	Establish saving groups	Registration and performance report																	
2.1	Formation and Capacity building of Settlement level Urban Poor Organisations (SUPOs)																		
	Facilitate formation and training of SUPOs	# of SUPOs established and capacitated																	
	Organise Technical support to formulate and implement projects	Action Plans, Project Implementation progress and financial reports, certificates																	
2.3.	Detailed Slum Upgrading Plans – SDI part																		
	2 Identify priority infrastructure projects per slum settlement	Plan with prioritized projects																	
	Technical design and costing of projects	Detailed project plans with costing																	
	Mobilise financial resources for project implementation	Financial resources allocated																	
Urban Authorities Association of Uganda /ICMA			1	2	3	4													

3.5	Municipal Institutional Leadership Programme (MILP)																			
	Conduct municipal needs assessments	Needs Assessment reports																		
	Develop the MILP training programme and curricula	Curricula																		
	Conduct trainings	Certificates																		

E. MONITORING AND EVALUATION

The Transforming the Settlements of the Urban Poor in Uganda (TSUPU) is considered as part of the mainstream activities of the Ministry of Lands, Housing and Urban Development. The monitoring will be implemented by the ministry as described in the operations manual, but based on the results framework spelt out in this document. This involves collecting data, reports and deliverables, analysing them, and sending consolidated reports regularly to Cities Alliance. SDI and UAAU will report separately to Cities Alliance since they have independent grant agreements, however, they will also submit their reports (Annual progress report and financial report, and Annual Performance report) to the municipalities and the ministry for their information.

The MoLHUD is the overall responsible organisation for the supervision and monitoring of the TSUPU programme. In the spirit of partnership and coordination of effort, all ToRs prepared by the partners (including MoLHUD) should be circulated to all partners for a minimum of 5 working days so that they have an opportunity to comment on the ToRs.

For the purpose of TSUPU, the following reports will be required by Cities Alliance

1. **Annual progress report and financial report** submitted by the MoLHUD by December 31st each year. Each municipality would prepare a progress report, and quarterly financial reports which will be reviewed and consolidated by the MoLHUD. The MoLHUD will prepare an overview report, attaching municipal level submissions.
2. **Annual Performance Report** submitted by the MoLHUD by 30th of June each year. Each municipality would prepare an Annual Performance report which will be reviewed and consolidated by the MoLHUD. The MoLHUD will prepare an overview report, attaching municipal level submissions. The annual performance report includes:
 - a. Progress Report
 - b. Financial Report
 - c. Report on the annual performance focusing on the performance measures indicated in the outcome indicators.
 - d. Action Plan for the next year consisting of a detailed annual activity plan, budget, and procurement plan

While MoLHUD is the overall responsible organisation for monitoring, Cities Alliance is responsible for reporting annually to the donor. The Cities Alliance will make quarterly visits which will include a progress review meeting involving all partners. Once a year this will include site visits to all the five municipalities. The Cities Alliance will also perform a mid-term review evaluation after two years of project implementation. An independent evaluation will be conducted at the end of the project. To assess sustainability and the longer term outcomes of the programme, an assessment will be conducted two years after programme completion.

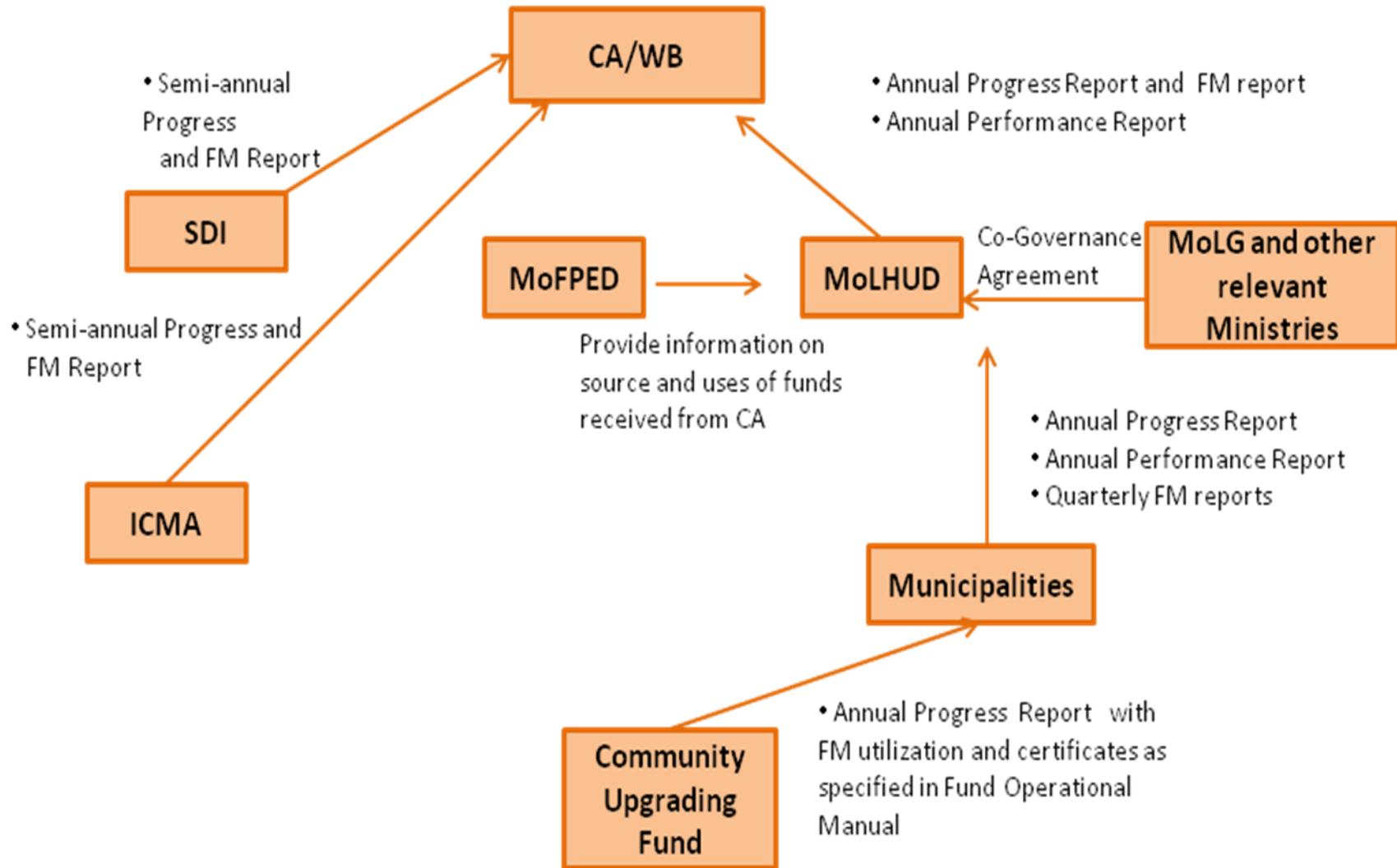
E.1 Reporting Table to CA

Report	Year 1				Year 2				Year 3				Responsible
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Progress Report and Financial Report		X				X				X			MoLHUD
Annual Performance Report				X				X				X	MoLHUD
SDI Progress Report and Financial Report		X				X				X			SDI
SDI Annual Performance Report				X				X				X	SDI
UAAU Progress Report and Financial Report		X				X				X			UAAU
UAAU Annual Performance Report				X				X				X	UAAU

CA Supervision

CA engagement Missions	X	X	X	X	X	X	X	X	X	X	X	X	Cities Alliance
Mid Term Review CA								X					Cities Alliance
Independent Evaluation												X	Cities Alliance

E.2 Reporting Arrangements



F. FINANCIAL MANAGEMENT

The objectives of the project's financial management system are to ensure that funds are used only for their intended purposes in an efficient, accountable, transparent and economical way while implementing agreed activities.

F.1 Institutional Arrangements:

Based on the implementation and institutional arrangements (Section D) the Ministry of Lands, Housing and Urban Development (MoLHUD) is responsible for the Financial Management for the funds received from Cities Alliance for activities implemented by MLHUD and Municipalities for the grant agreement signed with the MoFPED GoU. Slum Dwellers International (SDI) and International City Managers Association (ICMA) (on behalf of UAAU) are the other two agencies which will be receiving the grants directly from Cities Alliance for implementing the project. Both agencies have established internal control systems and procedures and prepared accountability guidelines to be used for activities implemented by them. At the local community level, sub grants will be provided by five Municipalities which have been currently identified. The funds for these municipalities to implement activities will be disbursed from the Ministry of Finance based on the authorisation provided by MoLHUD. The sub grants to communities will depend on community proposals developed with other implementing agencies and the Municipalities, the detailed methodology of the disbursement and utilisation of the funds will be clearly detailed in the operational manual which is being currently developed by MoLHUD under the supervision of the World Bank. The GoU has good internal control systems and procedures with accountability guidelines in accordance with the Treasury Accounting Instructions and Public Finance and Accountability Act, 2003 which will be followed to manage the sources and uses of funds at the MLHUD and Municipality level. The other partners, SDI and ICMA will follow their own current financial system to manage finance. Separate assessments were conducted on these agencies and the financial system and the internal controls were found to be satisfactory. However, reporting formats are tailor made for these agencies in such a manner that activities are clearly linked to the expenditures that were agreed with Cities Alliance. The guidelines and procedures relating to access and use of funds, accountability requirements, functions and duties of various staff engaged in the implementation and over sight of the project will be documented in the operational manual.

F.2 Funds flow, banking & Disbursement Arrangements

National Level: The MoLHUD will open two bank accounts after authorization by the Ministry of Finance, Planning and Economic Development and maintained by the Ministry for purposes of implementing the project as follows:

- (a) **Designated Account (DA):** Denominated in US dollars where disbursements from the IDA will be deposited.
- (b) **Project Operating Account:** This will be denominated in local currency. Transfers from the Designated Account (for payment of transactions in local currency) will be deposited on this account in accordance with project objectives.

These bank accounts shall be opened at Bank of Uganda in accordance with government procedures in the names of MoLHUD. The signatories to the project accounts will be in accordance with the Treasury Accounting Instructions/ Public Finance and Accountability Act, 2003. The overall FM responsibility is with the Permanent Secretary who is the ultimate accounting officer in the ministry assisted by the Principal Accountant who is signatories to these bank accounts while the day-to-day transactions and reporting will be done by a dedicated Accountant within the ministry.

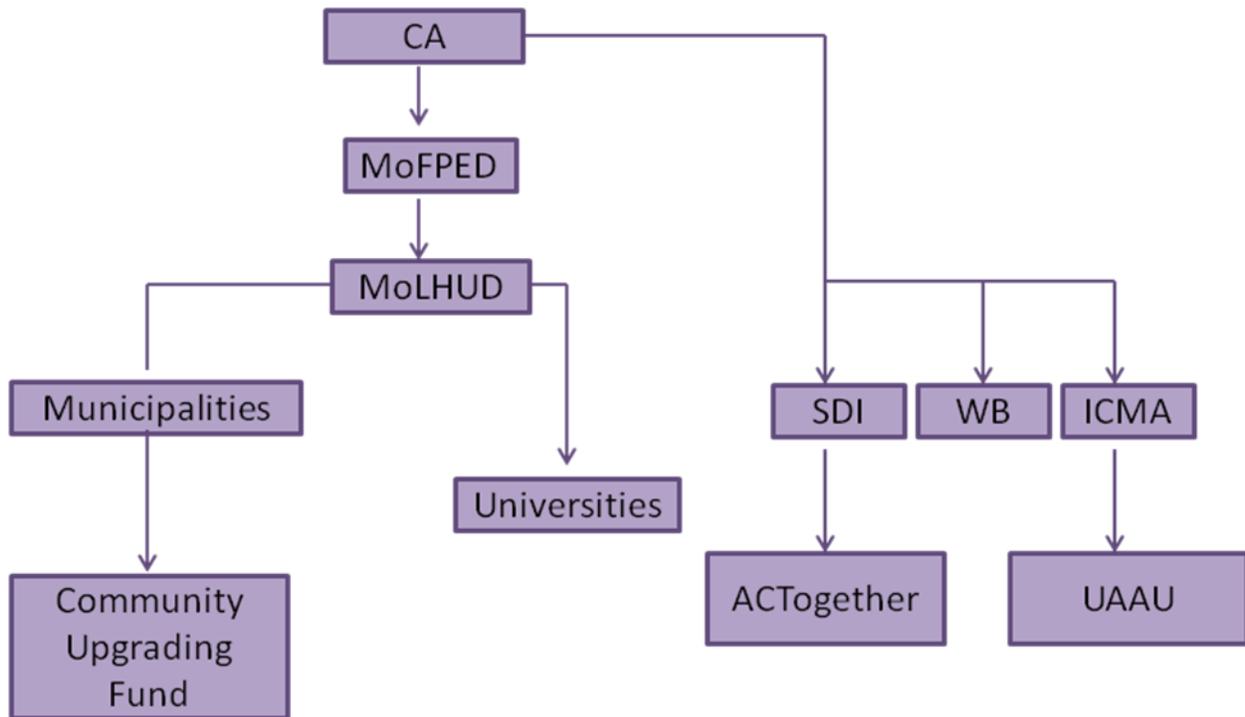
Disbursements from the IDA into the Designated Account will be based on agreed tranches detailed in the disbursement letter according to deliverables agreed with MoLHUD for each tranche. Initial cash flow forecasts upon which the first tranche disbursement will be made from the grant should be prepared after the grant agreement is fully executed and a duly authorized Withdrawal Application by MOFPED is submitted to IDA. Subsequent tranches for the additional cash replenishment required into the Designated Account will be provided along with the Withdrawal Applications. The interim financial reports together with the Withdrawal Applications (WAs) will be reviewed by the Bank's Financial Management Specialist (FMS) and approved by the Task Team Leader (TTL) before the request for disbursement is processed by the Bank's Loan Department. The grant funds will be used only for pre-agreed categories of expenditure as indicated in the Grant Agreement. The disbursement/funding will be made in tranches by linking to activities which will lead to improve the monitoring and evaluation. Subsequent disbursements will be based on withdrawal applications accompanied with adequate FMR (in agreed formats.)

Sub National: The selected 5 municipalities will make provisions in their annual plan, funds requirement for the activities that will be implemented at the sub national level. The funding for community level activities with the municipalities will be provided to the communities as sub grants. A project account will be opened at each of the 5 Municipalities to which MoFPED will transfer funds. The transfer of funds will be based on the endorsements/clearances provided by MoLHUD. The disbursement to the municipalities will follow government procedures for activities agreed in the municipality's annual plan for community activities.

Slum Dwellers International: A separate grant agreement will be signed with SDI and World Bank acting as agents for Cities Alliance. The agreed funds will be transferred to the project account opened by SDI as stipulated in the disbursement letter.

International City Managers Association: This is an agency which will support UAAU in providing Capacity building services to municipalities and other government agencies. A grant agreement will be entered into with this agency for disbursement of funds. Disbursement criteria will be stipulated in the disbursement letter. ICMA will be opening a separate bank account to receive the funds. An advance will be provided as the first tranche on countersignature of the grant agreement and submission of withdrawal application to cities alliance. A separate Financial Management desk review assessment has been conducted and the financial management and internal control were rated satisfactory.

F.3 Funds Flow



F.4 Accounting, Financial Reporting and Auditing Arrangements

Accounting Financial Reporting

National Level: The MoFPED and MoLHUD will use the government’s public financial management system for managing and recording the eligible expenditures. Project expenditures will be recorded and reported by the MoLHUD Project finance division. For reporting to Cities Alliance an IFR has been agreed and the template will be an attachment to the grant agreement. MoFPED are the authorized signatory of the grant agreement while the Accountant General is the authorized signatory to withdrawal applications. The reporting frequency to Cities Alliance will be semi-annual.

Sub National Level: The funds received by the Municipalities will be accounted and recorded in accordance with the financial management of GoU. Each of the 5 identified Municipalities will report the fund utilisation of activities implemented by them directly to MoLHUD every quarter to be incorporated into the financial reports submitted by MoLHUD to Cities Alliance.

Slum Dwellers International: The funds received from the Bank on behalf of Cities Alliance will be accounted, recorded and reported by SDI. The report generated will be shared with other implementing agencies of the same activities. Since the agreement is separate with SDI, a semi-annual reporting will be followed. The reporting format has been agreed with SDI. SDI will be

receiving expenditure reports from ACTogether for the sub grants given on a quarterly basis for reporting. SDI will use its own financial management system for accounting and recording for generating periodic financial reports. Cities Alliance has given grants to SDI in previous occasions and the financial management and internal control mechanism with SDI was found satisfactory and the same will continue in this project also. The accounting and recordkeeping for sub grants managed by ACTogether will also be clearly articulated in the operational manual produced by MoLHUD.

International City Managers Association (ICMA) : The funds received from the Non Core funds of Cities Alliance will be received in a newly opened project account. The utilization of the funds will be accounted, recorded and reported by ICMA and reported directly to Cities Alliance in the reporting format agreed. ICMA has completed the Financial Management Questionnaire and the overall view of the Financial Management system followed and the financial risk is satisfactory to Cities Alliance on behalf of the World Bank. The financial reports will be submitted biannually along with the project progress report. On completion of the project, ICMA will hire an independent auditor and submit a certified audit report to CA within 3 months after the project closing date. ICMA will seek clearance of the TOR for the auditor prior to hiring.

Auditing:

National Level & Sub National Level: The Auditor General (AG) is mandated to audit all government programs although he may appoint independent auditors who are acceptable to the Bank. The MoLHUD will provide an acceptable TOR for the audit to Cities Alliance and the World Bank. The auditors will audit the ministry and the municipalities as entities including the project accounts. The AG will submit the annual audit report to Cities Alliance on behalf of the Bank within six months of the end of each fiscal year. The audit reports will also provide opinion on the compliance with the Grant Agreement for activities at the national as well as municipal level.

Slum Dwellers International: SDI will conduct project audit including the activities implemented by ACTogether (sub grants) and submit an audit report at the end of the project period. However entity audit reports will be provided to cities alliance within six months from the end of each fiscal year of the interim period of the project. For this purpose SDI will hire independent auditors acceptable to Cities Alliance on behalf of the World Bank. SDI will also hire internal auditors for continuous audit of project accounts. This will enable SDI to cover all the implementing agencies. The appointed external auditors will sample the project audit based on the internal auditor reports.

ICMA: The grant agreement is separate, hence ICMA will appoint independent auditors acceptable to Cities Alliance on behalf of the bank. A project audit report will be submitted within 3 months at the end of the project period by the auditor giving an opinion on the project implementation and certifying the consolidated IFRs.

Co Financing Arrangement

The co financing arrangement to be adopted does not neatly fall under the traditional World Bank “joint co financing” or “parallel financing” mechanisms. The arrangement will adopt some features of joint co-financing in the sense that all co financiers will finance the same project

activities, each financier will establish and maintain separate disbursement arrangements. The desired outcome of this arrangement would be a co-financing framework that would allow funds to flow evenly for the appropriate expenditures related to the project.

G. PROCUREMENT

Procurement under the proposed project shall be implemented at the national, sub national–local government, and community levels as well as by non-governmental organisations as shown below:

National Level	Ministry of Lands Housing and Urban Development
Sub National level	Municipalities of Mbale, Jinja, Kabale, Arua and Mbarara
Community	Communities
NGOs	International City managers Association (ICMA) in partnership with Urban Authorities Association of Uganda (UAAU) and Slum Dwellers International (SDI)

Procurement for the proposed project will be carried out in accordance with the World Bank’s *Guidelines: Procurement under IBRD Loans and IDA Credits* (May 2004, revised October 2006 and May 2010) and *Guidelines: Selection and Employment of Consultants by World Bank Borrowers* (May 2004, revised October 2006 and May 2010), and the provisions stipulated in the Legal Agreement. For each contract to be financed by the Loan/Credit, the different procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame are agreed between the Government of Uganda and the Cities Alliance project team in the Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs.

Procurement of Goods: Goods procured under this grant would include: office equipment . The procurement will be done using Bank’s standard bidding documents for all ICB and National SBD agreed with the Bank

Selection of Consultants: Consultants (individuals and firms) will be selected under the grant to undertake; audit of grant accounts, development of slum upgrading strategies, development of environmental management plans, preparation of operational manuals, research in defined urban problems and development of the national urban policy. Short lists of consultants for services estimated to cost less than \$200,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

Community Participation: Community procurement will be done in the municipalities through procurement committees elected democratically from the respective communities. The details of the applicable procedures will be specified in the community and sub county procurement guidelines which shall form part of the Implementation Manual.

Operating Costs: The grant will finance the operating costs of the various implementing agencies that directly relate to project implementation. The project’s operating costs will include:

fuel and maintenance for project vehicles; stationery; communication expenses; subsistence allowances for authorized travel; workshop venues and meals and equipment. These items shall be procured through shopping.

Assessment of the agency's capacity to implement procurement

Procurement under the Municipalities will be carried out by their Procurement and Disposal Units which are fully staffed with a Senior Procurement Officer, a Procurement Officer and Assistant Procurement Officer with the exception of Kabale and Mbarara which have only 2 out of the 3 staff. All the municipalities have contracts committees which review and approve key stages of the procurement process. The key risks for the municipalities is limited experience in conducting procurement which is being mitigated by training the procurement staff under the Bank supported Local Government Management and Service Delivery Project. Given the limited procurement to be conducted at the municipalities the residual risk is moderate.

Procurement under the MoLHUD will be conducted by the Ministry's Procurement and Disposal Unit which is fully staffed with a Principal Procurement Officer, Senior Procurement Officer and a Procurement Officer. The Ministry also has a fully established contracts committee that reviews key stages of the process. The key risk for MoLHUD are (i) inadequate record keeping with some files lacking key procurement records and (ii) lack of experience in conducting procurement under bank procedures. These risks will be mitigated by continuous coaching and mentoring of these staff by the Bank Procurement Specialists and at least one of the procurement staff shall attend training in bank procurement with Esami. Given the limited procurement to be conducted by the Ministry, the residual risk is moderate.

Frequency of procurement Supervision

In addition to the prior review supervision to be carried out from Bank offices, the Bank shall carry out at least 1 supervision missions to visit the field to carry out post review of procurement actions annually.

H. SUCCESS FACTORS

The following critical factors for success have been identified:

Change in Business as usual: The key to programme success is the seamless interconnectivity of activity and exchange between the national, sub-national and community levels of endeavor. In the context of hierarchical government and disempowered communities this will not happen without a clear commitment to the outcome. A critical factor of success therefore is a conscious understanding that for programme success things must be done differently by all parties.

Confidence: The success of public community partnerships depends on the ability to build confidence between partners. Historically nothing has destroyed such partnerships as the imagined or real misallocation of resources. A critical factor of success is the transparent accountability of programme resources.

Politics with a small p: The success of negotiated solutions is premised on an understanding of the political context of urban development. However, the inherent tendency to transform the small p politics into party political interventions poses a threat to the objectives of building a consensus based planning process.

Clarity of Mandates: The nature of government with its myriad of departments each with specific responsibilities poses the risk of working within silos. It is vital for project success that all of government works in an integrated way via the cooperation agreement.

Political Change: Every democratic system poses the risk as to what happens if a change of government takes place. The project has a number of drivers that could maintain the momentum even in the event of political change. As a long term project it is vital that no matter what Minister takes charge they recognise the importance of managing urbanisation and growth.

To respond to these challenges the TSUPU programme has the following built-in mechanisms.

- Building on this Programme Document a TSUPU Operational manual will be developed describing in detail how the programme will be implemented and the interfaces between the different partners.
- The development of a Co-governance agreement between MoLHUD, municipalities, MoLG and other relevant ministries.
- Municipal and National Urban Development Forums will serve as platforms for dialogue between the community, and local and national government level enhancing transparency and clear communication.
- Communication on the programme by the different partners will be shared with all partners.

I. GENDER

The literature on gender and development confirms an important lesson for development effectiveness. Failure to address gender issues in project development interventions can lead to inefficient and unsustainable results, and also exacerbate existing inequities. The design team undertook a gender assessment that attempted to understand whether the TSUPU project design will:

1. Respond to the priority needs of both men and women
2. Benefit both men and women
3. Empower women

This assessment was conducted as part of the project identification and is based on a desk review as well as a mission to Uganda 07.05 – 07.12.09. During the mission the team gender focal point met with and interviewed key officials and organizations, and conducted focus group discussions with women and men living in slums. The full report can be accessed through Cities Alliance.

Important gender issues in urban development and slum upgrading in Uganda

Issue	Response TSUPU
<p>Sex disaggregated and gender oriented data</p> <ul style="list-style-type: none"> • The lack of sex disaggregated and gender oriented data makes it difficult to assess and plan for the different situations of men and women in urban areas. It also makes it challenging for institutions such as the Ministry of Gender, Labor and Social Development to advocate for gender related issues in the government. Some data on gender has been collected in rural areas, but gender issues specific for the urban context remain unexplored. 	<ul style="list-style-type: none"> • Data gathered under the TSUPU programme will be sex and age disaggregated • Indicators for results framework is based on sex disaggregated data and will be analysed with a gender perspective
<p>Access to land for women</p> <ul style="list-style-type: none"> • Even though laws and policies provide for it, women do not normally inherit land and are rarely included on the land and structure titles. • Widows are often chased away from the property by their husband’s relatives and have few real rights when it comes to inheritance. 	<ul style="list-style-type: none"> • The development of an inclusive urban policy • The establishment of systems that clearly define and protect rights and responsibilities attached to urban land usage, occupation and ownership • Empowerment and mobilisation of women through Slum Dwellers International
<p>Participation in planning and decision making processes</p> <ul style="list-style-type: none"> • Women are included at all levels of government in Uganda. However, women rarely have leadership 	<ul style="list-style-type: none"> • The Settlement level Urban Poor organisations engaging in dialogue with the municipalities through the Municipal wide Development Forum will consist of at least 50 % women.

<p>positions, and traditional perceptions and structures can make it difficult to be heard.</p>	
<p>Economic Empowerment</p> <ul style="list-style-type: none"> • Women have less access to credit than men since most do not own land. • Men traditionally have the main responsibility to provide economically for the children and the family. With the erosion of social structures in slum areas, the increased number of children outside marriages, informal marriages, and men having more wives than they can provide for, the main bulk of the responsibility is now left on the women. 	<ul style="list-style-type: none"> • Establish saving groups with a focus on women
<p>Lack of access to basic services such as water and sanitation</p> <ul style="list-style-type: none"> • Having access to water and private safe spaces for sanitation is an issue of dignity, culture, and safety, and is often emphasised as important by women in Uganda. 	<ul style="list-style-type: none"> • The Settlement level Urban Poor Organisation is composed by at least 50 % women to ensure that the needs of women are included in the prioritisation of services made in the Municipal Development Strategy, Settlement level Action Plans, as well as in the Small Settlement Projects from the Municipal Upgrading Fund.

J. BUDGET

BUDGET SUMMARY - TRANSFORMING SETTLEMENT OF THE URBAN POOR IN UGANDA

INDICATIVE BUDGET FOR 3 YEARS (2010-2013) Recipient/Implementer wise

Name of the Implementer/Recipient	SOURCE of FINANCING	TOTAL	TYPE OF EXPENDITURE				
			Project and Grant Admn	Consultancy Services	Training/ Wrkshps/ Seminars	Dissemination	Others
LSC source of Financing		-					
The World Bank - Uganda	Separate GA LSC	195,500.00	25,500.00	76,000.00	72,000.00	17,000.00	5,000.00
Ministry of Land Housing & Urban Development/MOF	LSC	417,000.00	41,700.00	129,000.00	148,300.00	38,000.00	60,000.00
Municipalities/MOF	LSC	1,430,000.00	29,000.00	60,000.00	72,000.00	9,000.00	1,260,000.00
Slum Dwellers International	Separate GA LSC	595,000.26	53,552.63	15,884.47	422,000.00	103,563.16	-
<i>Subtotal of LSC financing</i>		2,637,500.26	149,752.63	280,884.47	714,300.00	167,563.16	1,325,000.00
CA Core fund proposal in place							
3.6 Dev of NUP (MoFPED/MoLHUD)	Separate GA Core	450,000.00	40,000.00	140,000.00	100,000.00	150,000.00	20,000.00
3.5 MILP (ICMA/UAAU)	Separate GA Core	229,500.00	30,000.00	156,300.00	28,200.00	10,000.00	5,000.00
<i>Subtotal of Core Fund financing</i>		679,500.00	70,000.00	296,300.00	128,200.00	160,000.00	25,000.00
Grand Total Project Financing by CA		\$3,317,000.26	\$219,752.63	\$577,184.47	\$842,500.00	\$327,563.16	\$1,350,000.00
Funding TSUPU proposals to come							
Activities Proposed	Implntg Agency	CA Core Funds	Cofinancing Agency	Cofinance			
2.3 (i) SU Action Plans (Municipality)	Municipality	125,000.00					
2.3 (ii) Slum Upgrading Action Plans (SDI)	SDI	125,000.00					
2.2 The MDS [Municipality]	Municipality	450,000.00					
<i>Subtotal CA Core Fund for proposals to come</i>		700,000.00					
GT of the TSUPU Program		\$4,017,000.26					

IMPLEMENTING AGENCY – THE WORLD BANK – YEAR 1

SET-UP Phase TRANSFORMING SETTLEMENT OF THE URBAN POOR IN UGANDA

Budget Activities

CITIES ALLIANCE financing funds from LSC GRANT (\$195,500)

Component/Activity	Type of Expenditure					
	Total	PI&S	Consulting Services (US\$)	Training, Cap Bldg & Workshops (US\$)	Dissemination Costs (US\$)	Other costs i/ (US\$)
YEAR ONE						
1.1 Setup Phase of the Project						
Develop Operational Manual	20,000		15,000	-	2,000	3,000
Development of MOU and Co-governance Arrangements	7,000		3,000	2,000	-	2,000
Launch of quarterly National Urban Forums	33,000		3,000	25,000	5,000	-
Launch of Municipal Forums	10,000		-	10,000	-	-
Development of Municipalities & Development of Strategies proposals	25,000		15,000	5,000	5,000	-
Preparation of detailed Slum Profiles of 5 Municipalities	50,000		15,000	30,000	5,000	-
Local Government Capacity Assessment of 5 Municipalities	25,000		25,000	-	-	-
Subtotal for YR 1	170,000	-	76,000	72,000	17,000	5,000
Project Administration & Supervision	25,500	25,500				-
Grand Total of Core fund financing to World Bank	195,500	25,500	76,000	72,000	17,000	5,000

IMPLEMENTING AGENCY – MINISTRY OF LANDS, HOUSING AND URBAN DEVELOPMENT

CITIES ALLIANCE financing funds from LSC GRANT (\$417,000)

Component/Activity	Total	PI&S	Type of Expenditure			
			Consulting Services (US\$)	Training, Cap Bldg & Workshops (US\$)	Dissemination Costs (US\$)	Other costs i/ (US\$)
YEAR ONE						
1.6 Participatory Action Research on access to land and Security of Tenure	25,000	-	12,000	8,000	5,000	-
1.6(ii) Research on security of tenure	20,000	-	12,000	8,000		-
1.6(ii) Research with policy recommendations presented to UNUF	5,000	-	-	-	5,000	-
3.1 Uganda National Urban Forum	18,000	-	3,000	15,000	-	-
3.1(iii) Convene quarterly forums each year.	-	-	-	-	-	-
3.1(iii) Convene quarterly UNUFs each year.	15,000	-	-	15,000	-	-
3.1(iv) Identify and approve research agenda	3,000	-	3,000	-	-	-
3.2 The commissioning of research into defined Urban problems	45,000	-	28,000	10,000	7,000	-
3.2(i) Commission research agenda	38,000	-	28,000	10,000	-	-
3.2(ii) Policy recommendation presented at UNUF	7,000	-	-	-	7,000	-
3.3 National Urban Campaign	-	-	-	-	-	-
3.3(ii) Organize events and disseminate the materials to targeted audience.	-	-	-	-	-	-
3.4 Support the integration of Makerere University in broader urban dev agenda	30,000	-	-	10,000	-	20,000
3.4(i) Students to actively participate in practical planning and applied research	7,500	-		7,500	-	-
3.4(ii) Internships for Students						

	20,000	-	-	-	-	20,000
3.4(iii) Organize public lectures.	2,500	-	-	2,500	-	-
Subtotal for YR 1	118,000	-	43,000	43,000	12,000	20,000

YEAR TWO						
3.1 Uganda National Urban Forum	-	-	-	-	-	-
1.6 Participatory Action Research on Access to land and Security of Tenure	50,000	-	25,000	18,000	7,000	-
1.6(i) Research on security of tenure	43,000	-	25,000	18,000	-	-
1.6(ii) Research with policy recommendations presented to UNUF	7,000	-	-	-	7,000	-
3.1 National Urban Development Forum	21,150	-	-	21,150	-	-
3.1(iii) Convene quarterly UNUFs each year.	21,150	-	-	21,150	-	-
3.2 The commissioning of research into defined Urban problems	45,000	-	28,000	10,000	7,000	-
3.2(i) Commission research agenda	38,000	-	28,000	10,000	-	-
3.2(ii) Policy recommendation presented at UNUF	7,000	-	-	-	7,000	-
3.4 Support the integration of Makerere University	30,000	-	-	10,000	-	20,000
3.4(i) Students to actively participate in practical planning and applied research	7,500	-	-	7,500	-	-
3.4(ii) Internships for Students	20,000	-	-	-	-	20,000
3.4(iii) Organize public lectures.	2,500	-	-	2,500	-	-
Subtotal for YR 2	146,150	-	53,000	59,150	14,000	20,000

YEAR THREE						
3.1 National Urban Development Forum	-	-	-	-	-	-
1.6 Participatory Action Research on access to land and Security of Tenure	15,000	-	5,000	5,000	5,000	-
1.6(i) Research on security of tenure	10,000	-	5,000	5,000		
1.6(ii) Research with policy recommendations presented to UNUF	5,000	-			5,000	
3.1 National Urban Development Forum	21,150	-	-	21,150	-	-
3.1(iii) Convene quarterly UNUFs each year.	21,150	-		21,150		
3.2 The commissioning of research into defined Urban problems	45,000	-	28,000	10,000	7,000	-
3.2(i) Commission research agenda	38,000	-	28,000	10,000		
3.2(ii) Policy recommendation presented at UNUF	7,000	-			7,000	
3.3 National Urban Campaign	-	-	-	-	-	-
3.3(i) Design & plan the campaign targeted at schools, Universities, civil society, religious groups, communities, municipal authorities and Govt.	-	-				
3.3(ii) Organize events and disseminate the materials to targeted audience.	-	-				
3.4 Support the integration of Makerere University	30,000	-	-	10,000	-	20,000
3.4(i) Students to actively participate in practical planning and applied research	7,500	-		7,500		
3.4(ii) Internships for Students	20,000	-				20,000
3.4(iii) Organize public lectures.	2,500	-		2,500		
Subtotal Yr 3	111,150	-	33,000	46,150	12,000	20,000

Grand Total Yr 1 - 3 summary of funding to MoLHUD						
Component/Activity	Total	Project Implmntn, Sprvsn & Admn (US\$)	Consulting Services (US\$)	Training, Cap Bldg & Workshops (US\$)	Dissemination Costs (US\$)	Other costs i/ (US\$)
1.6 Participatory Action Research on Security of Tenure	90,000	-	42,000	31,000	17,000	-
3.1 National Urban Development Forum	60,300	-	3,000	57,300	-	-
3.2 The commissioning of research into defined Urban problems	135,000	-	84,000	30,000	21,000	-
3.4 Support the integration of Makerere	90,000	-	-	30,000	-	60,000
Total	375,300	-	129,000	148,300	38,000	60,000
Project Implementation/Suprvsn/Admn	41,700	41700				
Total LSC grant for MLHUD	417,000	41,700	129,000	148,300	38,000	60,000

IMPLEMENTING AGENCY – MUNICIPALITIES (5)

Activities - TRANSFORMING SETTLEMENT OF THE URBAN POOR IN UGANDA

CITIES ALLIANCE financing funds from LSC GRANT (1,430,000)

Component/Activity	Total	Type of Expenditure				
		Project Implmntn, Sprvsn & Admn (US\$)	Consulting Services (US\$)	Training, Cap Bldg & Workshops (US\$)	Dissemination Costs (US\$)	Other costs i/ (US\$)
YEAR ONE						
1.3 Establish Municipal wide Development Forum	27,000	-	-	24,000	3,000	-
1.3(i) Convene at least 6 Forum each year in 5 Municipalities	27,000	-	-	24,000	3,000	-
2.4 Community Upgrading Funds	380,000	-	20,000	-	-	360,000
2.4(i) Safeguards and oversight as per OM	20,000	-	20,000	-	-	-
2.4(ii) Disbursement of grant as per OM	360,000	-	-	-	-	360,000
2.5 Support to improvements in municipal management and planning systems	50,000	-	-	-	-	50,000
2.5(i) Manage Sub Grants for system improvements	50,000	-	-	-	-	50,000
Subtotal for YR 1	457,000	-	20,000	24,000	3,000	360,000
YEAR Two						
1.3 Establish Municipal wide Development Forum	27,000	-	-	24,000	3,000	-
1.3(i) Convene 6 Forum each year in 5 Municipalities	27,000	-	-	24,000	3,000	-
2.4 Community Upgrading Funds	380,000	-	20,000	-	-	360,000
2.4(i) Safeguards and oversight as per OM	20,000	-	20,000	-	-	-
2.4(ii) Disbursement of grant as per OM	360,000	-	-	-	-	360,000

2.5 Support to improvements in municipal management and planning systems	130,000	-	-	-	-	130,000
2.5(i) Manage Sub Grants for system improvements	130,000	-	-	-	-	130,000
Subtotal for YR 2	537,000	-	20,000	24,000	3,000	360,000
YEAR Three						
1.3 Establish Municipal wide Development Forum	27,000	-	-	24,000	3,000	-
1.3(i) Convene 6 Forum each year in 5 Municipalities	27,000	-		24,000	3,000	
2.4 Community Upgrading Funds	380,000	-	20,000	-	-	360,000
2.4(i) Safeguards and oversight as per OM	20,000	-	20,000			
2.4(ii) Disbursement of grant as per OM	360,000	-				360,000
Subtotal for YR 3	407,000	-	20,000	24,000	3,000	360,000
Summary for Yr 1- 3						
	Activity total	Project Management	Consulting Services	Training/ Workshop	Dissemination	Other (Sub grants)
1.3 Establish Municipal wide Development Forum	81,000	-	-	72,000	9,000	-
2.4 Operationalise Community Upgrading Funds	1,140,000	-	60,000	-	-	1,080,000
2.5 The improvement of municipal management and planning systems	180,000	-	-	-	-	180,000
Sub Total to Municipality	1,401,000	-	60,000	72,000	9,000	1,260,000
Project Adm	29,000	29,000				
Grant Total funds	1,430,000	29,000	60,000	72,000	9,000	1,260,000

IMPLEMENTING AGENCY - SLUM DWELLERS INTERNATIONAL

TRANSFORMING SETTLEMENT OF THE URBAN POOR IN UGANDA

CITIES ALLIANCE GRANT REQUEST under LSC (\$ 595,000)

Component	Type of Expenditure					
	Total	Project Implementation, Supervision & Administration (US\$)	Consulting Services (US\$)	Training, Capacity Building and Workshops (US\$)	Dissemination Costs (US\$)	Other costs (US\$)
Prep phase						
1.2 Capture and expand SDIs learning by doing approach to Rights and Responsibilities	-	-	-	-	-	-
1.4 Registration and survey of all households and small businesses located within slum settlements	32,185	8,211	2,289	9,632	12,053	-
1.5 The formation of local community savings groups	17,816	4,000	-	13,816	-	-
2.1 Formation and capacity building of settlement level urban poor organisations	-	-	-	-	-	-
Sub Total Yr 1	50,000	12,211	2,289	23,448	12,053	-
YEAR One						
1.2. Capture and expand SDIs learning by doing approach to Rights and Responsibilities	25,000	-	7,895	17,105	-	-
1.4 Registration and survey of all households and small businesses located within slum settlements	152,937	4,000	1,374	127,768	19,795	-
1.5 The formation of local community savings groups	39,013	2,000	-	16,303	20,711	-
2.1 . Formation and Capacity building of settlement level Urban Poor Organisations	43,368	6,053	-	37,316	-	-
Sub Total Yr2	260,318	12,053	9,269	198,492	40,505	-

YEAR Two						
1.2 Capture and expand SDIs learning by doing approach to Rights and Responsibilities	-	-	-	-	-	-
1.4 Registration and survey of all households and small businesses located within slum settlements	87,168	3,368	1,832	63,053	18,916	-
1.5 The formation of local community savings groups	37,908	2,000	-	16,303	19,605	-
2.1 Formation and capacity building of settlement level urban poor organisations	66,632	8,579	-	58,053	-	-
Sub Total Yr 3	191,708	13,947	1,832	137,408	38,521	-
YEAR Three						
1.2 Capture and expand SDIs learning by doing approach to Rights and Responsibilities	-	-	-	-	-	-
1.4 Registration and survey of all households and small businesses located within slum settlements	77,711	13,342	2,495	49,389	12,484	-
1.5 The implementation of an appropriate savings-based financial model that enables poor households to gain access to affordable finance	15,263	2,000	-	13,263	-	-
2.1 Formation and capacity building of settlement level urban poor organisations	-	-	-	-	-	-
Sub Total Yr 4	92,974	15,342	2,495	49,389	12,484	-
Grand Total of SDI financing under LSC	595,000	\$ 53,553	\$ 15,885	\$ 422,000	\$ 103,563	\$ -

Implementing Agency : INTERNATIONAL CITY MANAGERS ASSOCIATION

Capacity Building of UAAU and 5 Municipalities for Urban Management and planning process and more effective and sustainable municipal association representing the interests of Urban Local Govt in Uganda

CITIES ALLIANCE financing funds from LSC GRANT						
Component	Total	Type of Expenditure				
		Project Implmntn, Sprvsn & Admn (US\$)	Consulting Services (US\$)	Training, Cap Bldg & Workshops (US\$)	Dissemination Costs (US\$)	Other costs i/ (US\$)
YEAR ONE						
Project Launch including formation of 5 Pilot Leadership Team and the UAAU leadership, and a two day workshop in Kampala focused upon creating the foundational leadership for undertaking the specific activities of the grant	24,526		17,726	4,800	2,000	-
Conduct 3 days of meetings/workshops to assess "Organizational gaps" that stand in the way of achieving the goals of the TSUPU project	57,575		48,775	6,800	2,000	-
Conduct an additional 4 days of meeting/workshops focused upon the priority needs emerging from each of the Management improvement Plans	57,575		48,775	6,800	2,000	-
Conduct 2 days UAAU Conference to include all the pilot municipalities, as well as other urban governments, to launch the new Municipal Leadership Institute, and to highlight the Lessons learned from the TSUPU Project.	24,526		17,726	4,800	2,000	-
To put in place a comprehensive program to improve the capacity, and ensure the sustainability of UAAU as an effective municipal association by ICMA/UAAU	20,548		13,548	5,000	2,000	
Develop the internet based "Mentoring Partnership" between ICMA and the 5 Town clerks in the pilot municipalities.	9,750		9,750			
Subtotal for YR 1	194,500	-	156,300	28,200	10,000	-
Project Administration & Supervision	35,000	30,000				5,000
Grand Total of Core fund financing to ICMA	229,500	30,000	156,300	28,200	10,000	5,000

Grand Total Set-Up phase + Yr 1 - 3 summary of funding to SDI						
Summary Set-Up phase + Yr 1 - 4						
Component	Total	Project Implmntn, Spvsn & Admn (US\$)	Consulting Services (US\$)	Training, Cap Bldng and Wrkshps (US\$)	Dissemination Costs (US\$)	Other costs (US\$)
1.2 Capture and expand SDIs learning by doing approach to Rights and Responsibilities	\$25,000.00	\$0.00	\$7,895.00	\$17,105.00	\$0.00	\$0.00
1.4 Registration and survey of all households and small businesses located within slum settlements	\$350,000.26	\$28,921.05	\$7,989.47	\$249,842.37	\$63,247.37	\$0.00
1.5 The implementation of an appropriate savings-based financial model that enables poor households to gain access to affordable finance	\$110,000.00	10,000	-	59,684	40,316	-
2.1 Formation and capacity building of settlement level urban poor organisations	\$110,000.00	\$14,631.58	\$0.00	\$95,368.42	\$0.00	\$0.00
Grand Total financing to SDI	\$595,000.26	\$53,552.63	\$15,884.47	\$422,000.00	\$103,563.16	\$0.00

ANNEX 1: Application of the Environmental and Social Management Framework and the Resettlement Policy Framework prepared and disclosed under the LGMSDP to the TSUPU programme

One of the main objectives in the Transforming Settlements of the Urban Poor in Uganda – A Secondary Cities Support Programme (TSUPU) is to bring greater coherence of effort in urban development by creating an institutional framework for different stakeholders to align their efforts and finance towards common objectives. Key to building coherence is the alignment of purpose between national and sub national governments, and urban poor communities. In broad terms the TSUPU programme can best be described as “Technical Assistance” to the Government of Uganda with reference to urbanization in general and secondary towns in particular, with elements of community driven development.

The TSUPU programme in the first instance supports national government through the Ministry of Lands, Housing, and Urban Development to develop a national urban policy that is linked to a structured dialogue between relevant urban actors at national, municipal and community level. Secondly, the programme aims to improve the capacity of secondary towns to manage urbanisation and growth through the development of Municipal Development Strategies and Plans and institutional capacity building. The TSUPU programme actively promotes citizenship and participation in the planning processes. It is programmed that this planning exercise is aligned to future investments including the World Bank Uganda Support to Municipal Infrastructure Development Project (USMIDP) in planning. Thirdly, the programme promotes the development of small Community Upgrading Funds (CUFs) that enables communities to access funds for community driven initiatives.

To build on previous efforts and avoid duplication, the TSUPU programme will adhere to the Environment and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) prepared and disclosed under the World Bank Local Government Development and Service Delivery Programme (LGSDP)⁵. The rationale behind this is that the sub-projects in the LGSDP are similar to the small grants under the TSUPU programme and cover the same municipalities using similar implementation arrangements. The ESMF and RPF for the LGSDP provide general analytical principles and procedures/guidelines that can be easily adapted in the implementation of the TSUPU programme:

⁵ The ESMF was disclosed under the LGSDP in country on 30th of July and in the Infoshop 6th of August 2007 on URL: http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&theSitePK=523679&entityID=000076092_20071121100959&searchMenuPK=64187283&theSitePK=523679 and the RPF the same date on URL http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&theSitePK=523679&entityID=000011823_20070808164807&searchMenuPK=64187283&theSitePK=523679

S. No	Activity	Application of ESMF Provisions
1.1	Set-up Phase of the Project – Institutional framework in place	Based on the proposed institutional framework under Section 2 and 9 of the ESMF, define clear roles amongst different levels of Local government and involve stakeholders for effective application of ESMF provisions
1.2	Capture and expand SDIs learning by doing approach to Rights and Responsibilities	Through consultative workshops, familiarize the ESMF provisions to different stakeholders including communities and highlight the roles and responsibilities.
1.3	Establish Municipal wide development forums	Familiarize the development forums in 5 municipalities with the benefits and impacts of service delivery investments based on Section 7 of the ESMF
1.4	Registration and survey of all households and small businesses located within slum settlements	The information will be gathered by the communities and shared with local government and other stake holders. The information will for many be a starting point for negotiation for access to services. The RPF will apply and ensure that the data gathered will not be used for any forced resettlement, and that any displacement of persons or assets, loss of access to natural resources and services must be covered by compensation and attenuation of all impacts due to reinstatement to an appropriate site (p. 14). During this exercise physical cultural resources will also be mapped and can inform planning at the later stage.
1.5	The formation of local community savings groups	As part of SDIs mobilization strategy, the saving groups are important platforms where information about the ESMF and RPF can be communicated.
1.6	Participatory action research into issues that affect access to land and increased security of tenure of the urban poor	To enhance participatory approaches to research, the Participatory Planning and Management guidelines referred to in the ESMF p 7 will be employed.
2.1	Formation and capacity building of Settlement level Urban Poor Organisations	When facilitating the meetings, familiarize the ESMF provisions to the communities and highlight the roles and responsibilities
2.2	The development of Municipal Development Strategies	Conduct of Strategic Social and Environmental Assessment and integration of recommendations for environmental and social protection with the Municipal Development Strategies. As part of the preparation of the SSEMP Ops on Physical Cultural Resources and Natural Habitats will be considered.

2.3	The development of detailed municipal Slum Upgrading investments	Application of environmental and social screening procedures detailed out in Section 8 of the ESMF. As part of this process Specific EMPs to be integrated for the proposed investments
2.4	The establishment of Community Upgrading Funds in each participating municipality	The sub projects will be covered by the ESMF in their planning, construction (if applicable) and operation phases. The ESMF provides an overarching checklist of activities related to the development of a) water supply systems, b) roads, c) drainage systems, d) sanitation, e) solid waste management, and f) general construction (See document <i>Environmental Checklist for Sub-county/Divison/Town Council Local Governments</i> , 2004), which encompass the likely projects derived from the small grants for the Community Driven Development projects in the TSUPU Programme. The screening process outlined in the ESMF can be adopted, eliminating the steps that are not applicable for the small investments. An adapted checklist will be developed as part of the operational manual for the CUF. Similarly, the RPF brings good guidance to how resettlement should be dealt with. When a project under the CUF is identified, if it requires any resettlement, a Resettlement Action Plan with a monitoring plan will be prepared, agreed, and implemented. The matrix table 1 on page 59 in the RPF will as such bring important guidance when screening the projects under the fund.
2.5	Support for identified improvements in municipal management and planning systems	This activity supports small changes in the management and planning systems of local governments. The nature of these changes will be identified by each municipality and orient around information management.
3.1	The establishment of the National Urban Development Forum	The policy dialogue will facilitate an urban policy for sustainable urban development that ensures environmental and social (E&S) protection, through effective linkages between urban concerns and E&S policies.
3.2	The commissioning of action research into defined urban problems identified at the National Urban Development Forum	To enhance participatory approaches to research, the Participatory Planning and Management guidelines referred to in the ESMF p 7 will be employed.
3.3	The development of a National Urban Campaign	This activity involves support for a national campaign on sustainable urbanisation. The process involves the planning, collection of data and the packaging of information targeted at schools,

		universities, civil society, religious groups and government.
3.4	To support the integration of Makerere University into the broader urban development agenda through i) internships and ii) public lectures	This activity aims to engage urban planning students and students from other relevant fields to actively participate in the practical planning and applied research processes. As such they will be involved in the application of ESMF through the SSEMPS in the Municipal Development Strategies.
3.5	The development of a municipal institutional leadership programme	This activity aims to build the institutional leadership of both the operational and political local government spheres so that they work better as a team and systematically improves urban management skills and more effective community outreach and communication (ESMF 9.2 on capacity building)
3.6	Development of the National Urban Policy and Strategic Urban Development Plan for Uganda	The environmental policies and the social/poverty reduction strategies outlined under Section 5 of the ESMF provides a good background on Uganda's intent and attempts to ensure environmental and social protection. The relevant parts of these policy provisions could be taken up as an integral part of urban policy dialogue.

Safeguards Approvals

<i>Signed and submitted by:</i>	<i>Name</i>	<i>Date</i>
Task Team Leader:	Mr. Julian Baskin	4 th of May 2010
Environmental and/or Social Development Specialist(s):	Design phase: Support from Mr. Martin Fodor and Ms. Mary Bitekerezoo Safeguards specialist for ongoing support: To be assigned	
<i>Approved by:</i>		
Regional Safeguards Coordinator:	Ms. Alexandra C. Bezeredi	17 th of June 2010
Sector Manager/Program Manager:	Mr. William J. Cobbett	21 st of June 2010

ANNEX 2: Results Framework TSUPU

Objective 1	Project outcome indicators	Use of project outcome Information
At least 50,000 slum dwellers living in five municipalities in Uganda actively engage in both securing their rights and honouring their responsibilities through improved urban governance and formalisation.	# of Slum dwellers actively participating in development processes at the municipal level disaggregated by sex and age	To assess the effectiveness of the level of participation during the project implementation and inform the process for future improvements
Intermediate Outcomes	Intermediate Outcome Indicators	Use of intermediate Outcome Monitoring
Outcome 1.1: Slum Dwellers are mobilised and able to participate in decision making processes	% of slum dwellers organised in the five municipalities and capacitated to engage disaggregated by sex and age # of Municipal Development Forums Held	To assess the level of organised mobilisation the community, if the structure for dialogue is in place, and whether the process is gender and age inclusive
Outcome 1.2: Improved security of tenure	% of settlements enumerated and officially validated % of slum dweller households that invest in incremental housing	To assess whether enumeration and validation of settlements has resulted in a increased sense of permanence, leading to incremental investments in housing
Objective 2	Project outcome indicators	Use of project outcome Information
At least 50,000 slum dwellers living within the five selected municipalities improve their qualitative and quantitative access to municipal services.	% Increase in the coverage of social and municipal services in slum settlements	To assess the effectiveness of empowerment activities at both community, local government and national level
Intermediate Outcomes	Intermediate Outcome Indicators	Use of intermediate Outcome Monitoring
Outcome 2.1 More resources are mobilised for service delivery projects in slums through public/private – community partnerships	# of service delivery projects in slums through public/private – community partnerships	To assess the effectiveness of the methodologies used to leverage additional resources through public/private – community partnerships
Outcome 2.2: Municipalities are able to better plan and proactively respond to the opportunities of urbanization	Pro poor MDS’ in the 5 municipalities developed that: <ul style="list-style-type: none"> - Plan for future urbanisation and proactively makes land available for urban poor. - Includes a slum upgrading strategy - Focus on adequate energy for household production and consumption - Includes a Local Economic Development strategy - Includes an Environmental Management Plan 	To assess the content and quality of the MDS’

Objective 3	Project outcome indicators	Use of project outcome Information
The Government of Uganda (national and sub) in partnership with interested stakeholders develops effective and efficient inclusive urban development policies and strategies, enabling the better management of future urban growth and positively affecting the lives of 200,000 slum dweller households nationwide	A national pro poor urban development policy and strategy developed and adopted by GoU % increase in investment targeting urban poor	To assess improved knowledge and recognition on the issues and challenges of sustainable urbanisation in Uganda
Intermediate Outcomes	Intermediate Outcome Indicators	Use of intermediate Outcome Monitoring
Outcome 3.1 An ongoing inclusive debate on urban issues	# of research reports with policy recommendations developed # of National Urban Forums held	To assess whether research is successfully commissioned by the National Urban Forum and policy recommendations are developed
Outcome 3.2: Improved responsiveness of national training institutions to the needs of national and local government	# of partnerships between Government and universities # of government officials receiving institutional leadership training	To assess whether establishing universities as partners in the TSUPU programme leads to actual collaboration between the government and universities
Outcome 3.3: Increased budget allocation targeting urban development	% increase budget allocation targeting urban development	To assess whether increased public and political awareness on the need for sustainable urban development leads to increased investments in the urban sectors

ANNEX 3: Results Monitoring Arrangements TSUPU

Outcome Indicators	Target Values (Cumulative)				Data Collection and reporting		
	Baseline	Year 1	Year 2	Year 3	Frequency and reports	Data Collection Instruments	Responsible for data collection
Objective indicator 1 # of Slum dwellers actively participating in development processes at the municipal level disaggregated by sex and age	To be taken year 1 by SDI	5000	25000	50000	Yearly performance report from MoLHUD	SDI registers and minutes from municipal forums	MoLHUD collects data from SDI and municipalities
Outcome indicator 1.1 % of slum dwellers organised in the five municipalities and capacitated to engage, disaggregated by sex and age # of Municipal Development Forums Held	To be taken year 1 by SDI	10 % 4	25 % 8	50 % 16	Yearly performance report from MoLHUD Yearly report from SDI	SDI registers Progress report	MoLHUD collects data from SDI and municipalities
Outcome indicator 1.2 % of settlements enumerated and officially validated % of slum dweller households that invest in incremental housing	To be taken year 1 by SDI	 5 %	50 % 10 %	100 % 15 %	Yearly performance report from MoLHUD Yearly performance report from SDI	Municipal registers SDI registers	MoLHUD collects data from SDI and municipalities
Objective indicator 2 % Increase in the coverage of social and municipal services in slum settlements	Taken by SDI during settlement profiling	5 %	10 %	15 %	Yearly performance report from MoLHUD	Settlement Profiles	MoLHUD collects data from SDI and municipalities
Outcome indicator 2.1 # of service delivery projects in slums through public/private – community partnerships	To be taken year 1 by MoLHUD	5	30	100	Yearly performance report from MoLHUD Yearly performance report from SDI	National and local government budgets	MoLHUD
Outcome indicator 2.2 Pro poor MDS' in the five municipalities developed		Proposals developed		5 municipalities	Progress reports	Proposals developed MDS approved in	MoLHUD collects data from municipalities

						the local council in all 5 municipalities	
Objective indicator 3 A national pro poor urban development policy and strategy developed and adopted by GoU % increase in investment targeting urban poor at municipal and national level respectively	To be taken year 1 by MoLHUD		10%	1	Yearly performance report from MoLHUD	National Policy and GoU resolution National and Local Government budget	MoLHUD collects data from municipalities
Outcome indicator 3.1 # of research reports with policy recommendations developed # of National Urban Forums held	4	1 4	2 8	3 16	Yearly performance report from MoLHUD	Minutes from National Urban Forum	MoLHUD
Outcome indicator 3.2 # of partnerships between Government and universities # of government officials receiving institutional leadership training	N/A	2 200	4	6	Yearly performance report from MoLHUD	Contracts and ToRs Certificates	MoLHUD collects data from UAAU
Outcome indicator 3.3 % increase budget allocation targeting urban development	To be taken year 1 by MoLHUD	0 %	10 %	15 %	Yearly performance report from MoLHUD	National and local Government budget	MoLHUD collects data from municipalities

ANNEX 4: About the Cities Alliance

About Cities Alliance

The Cities Alliance is a global coalition of cities and their development partners committed to scaling up successful approaches to urban poverty reduction. By promoting the positive impacts of urbanisation, the Alliance supports learning among cities of all sizes, and also among cities, governments, international development agencies and financial institutions. With the proper support, cities are proven poverty fighters and engines of economic growth.

The Cities Alliance was created in 1999 when 10 donor governments joined the World Bank, UN-HABITAT and the major international associations of local authorities to form a new partnership aimed at focusing on two key issues: the growth of slums and the management of cities where slum growth was taking place.

Members of the Alliance

The Alliance is a broad and growing partnership that presently includes:

- Local authorities, represented by United Cities and Local Governments (UCLG) and Metropolis.
- The governments of Australia, Brazil, Chile, Ethiopia, France, Germany, Italy, Netherlands, Nigeria, Norway, Philippines, South Africa, Spain, Sweden, United Kingdom, and United States of America.
- Shack/Slum Dwellers International (SDI) and Habitat for Humanity International
- The European Union, United Nations Environment Programme (UNEP), UN-HABITAT and the World Bank.

What Cities Alliance Does

The Cities Alliance provides matching grants in support of:

- **City development strategies** (CDS) that link the process by which local stakeholders define the vision for their city and its economic growth and environmental and poverty reduction objectives, with clear priorities for action and investment.
- **Citywide and nationwide slum upgrading** in accordance with the Alliance's Cities Without Slums Action Plan (MDG Target 11), including promoting secure tenure, access to shelter finance, and policies to help cities prevent the growth of new slums.
- **Sustainable financing strategies** for cities to attract the long-term capital investments needed to upgrade infrastructure, improve accountability for service delivery, and demonstrate stable revenue streams to more effectively leverage domestic capital.

The Cities Alliance is also a learning alliance, working with networks of cities, organisations of the urban poor, universities and other partners to capture and disseminate the collective knowledge of city stakeholders on ways to reduce urban poverty and improve the quality and impact of urban development cooperation.

The Alliance's overall strategic objectives are to build political commitment and a shared vision for scaling up slum upgrading and city development strategies, to distil and share knowledge on sound practices and experiences, and to catalyse citywide and nationwide impacts. Particular

emphasis is placed on supporting longer-term, in-country programmes for cities and local government to support systemic change.

The Cities Without Slums Initiative

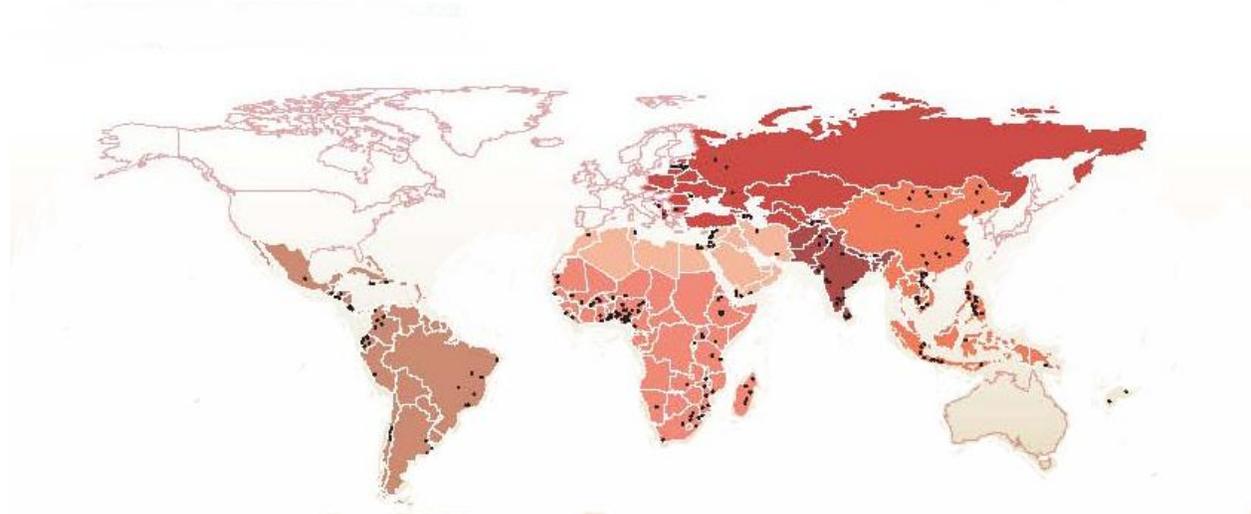
The “Cities Without Slums” action plan was developed by the Cities Alliance in July 1999 and launched by Nelson Mandela at the inaugural meeting of the Cities Alliance in Berlin in December 1999. The initiative is now firmly mainstreamed within the international development agenda as Target 11 of the Millennium Development Goals:

“By 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers as proposed in the “Cities Without Slums” initiative.”

This target was further strengthened by the U.N. General Assembly in September 2005 to include the need to prevent the formation of new slums by offering alternatives to the urban poor.

The *Cities Without Slums* action plan contains a vision around which a consensus is being built and support mobilised. As the only international development goal which targets cities, it has resonated with slum dwellers worldwide, as well as with local and national governments in all regions. The vision of *Cities Without Slums* has helped launch many citywide and nationwide upgrading programmes, as illustrated in the sections below.

Cities Alliance Cities



ANNEX 5: About Slum/Shack Dwellers International



Background

Shack/Slum Dwellers International (SDI) is a transnational network of local slum dweller organizations that have come together at the city and national level to form federations of the urban poor. SDI is registered as an NGO in South Africa, where the Secretariat has its headquarters. SDI's objective is to build a strong grassroots movement that realises the citizenship and centrality of slum dwellers in urban development in a rapidly urbanizing Global South.

While men are not excluded, the majority of SDI's members are women. Over the past 14 years SDI has developed a set of developmental rituals and practices for which it is now well known. SDI affiliates at the city and country level are trained in these rituals. They are also trained in transferring these skills to other community-based organisations in their own countries and beyond.

SDI's central characteristics

1. Building the capacity of the urban poor to find solutions and negotiate with their cities on issues land, shelter and basic infrastructure.
2. Daily savings as a mobilising and developmental tool, creating accountability, self-reliance, financial and human resource management skills.
3. The central participation of women and the most marginalised among the urban poor.
4. Community learning and solidarity through horizontal exchange programs.
5. Grassroots driven land identification.
6. Incremental human settlement development.
7. Community driven gathering of information through surveys, enumerations and settlement profiles.
8. Solution-finding through negotiations and dialogue.
9. Community-based shelter training, including house models, community action planning and community design.
10. Small core groups of professionals to provide technical and financial support to Federations.
11. Consistent engagement with local authorities through urban poor funds, enumeration data

and citywide development strategies.

12. International advocacy in order to strengthen local (city level) initiatives.

The SDI secretariat coordinates and supports its affiliates through sustained intervention. Through the East African hub, Asian hub, Southern African hub and the Latin American hub, SDI affiliates support each other through exchange programs where they share ideas about the process and develop among local federations a sense of belonging to a wider network.

National Federation of Slum Dwellers of Uganda

The urban poor federation in Uganda is fairly young, built on the conviction that organized, regionally and nationally federated communities of slum dwellers are a pre-requisite towards scalable, pro-poor development in Uganda's cities. The Federation is made up of autonomous saving schemes that seek to provide a platform for collective action in the slums where they are rooted. Saving groups in Kampala began to form in 2002 and the federation has expanded from Kampala to Jinja with a total membership of 30,000 members. The saving schemes in the Federation practice the rituals of SDI which include: daily savings, settlement profiles, enumerations, mapping, pragmatic engagement with government and exchanges among and between city level "federations".

ACTogether Uganda

ACTogether Uganda is a legally-registered non-governmental organization that extends technical support to the slum dwellers federation of Uganda in developing sustainable strategies towards transforming the lives of the urban poor in Uganda. ACTogether Uganda supports urban poor communities through building their capacity to liaise with stakeholders and partners to help them improve the quality of life in the slums. The organization aspires to have fair and inclusive cities in Uganda with organized empowered urban poor communities that have the capacity to voice, promote and effectively negotiate for their collective interests and priorities, as well as to implement them.

SDI, ACTogether and the Ugandan Slum Dwellers Federation

ACTogether Uganda and the Slum Dwellers Federation are affiliates of SDI in Uganda and will assume the responsibilities of SDI as indicated in the TSUPU program document. Central to the TSUPU program is the belief that organized communities of slum dwellers must be at the center of long-term incremental upgrading strategies. Government (national and sub national) alone cannot transform slums into settlements of transition.

ANNEX 6: Minutes of the Lands, Housing and Urban Development Sector Working Group

MINUTES OF THE THIRD MEETING FOR THE LANDS, HOUSING AND URBAN DEVELOPMENT (MLHUD) SECTOR WORKING GROUP HELD ON 21ST DECEMBER 2009 IN THE MINISTRY BOARDROOM

MEMBERS PRESENT

No.	NAME	ORGANISATION	TITLE	Contact Address: Tel & Email
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ABSENT WITH APOLOGY

1. Mr. Sserunjogi George- MFPED

AGENDA

- 1) Prayer
- 2) Communication from the Chair
- 3) Reading & approval of previous minutes and Matters arising
- 4) Presentation and discussion of the Draft Concept Note on LHUD – SWG
- 5) Presentation and discussion of Project proposals-

Minute	Action
Min.13/2009/SWG: Prayer The opening prayer was led by Mr. Mabala Samuel, CUD	All to note
Min. 14/2009/SWG: Communication from the Chair The Chairman called the meeting to order at 10:20 am and communicated as follows; <ul style="list-style-type: none"> ▪ The 3rd meeting would have been held on 3rd December 2009, 	

<p>but due to unavoidable circumstances it could not take place.</p> <ul style="list-style-type: none"> ▪ The main purpose of today’s meeting is to approve project proposals which have to be submitted to MFPED before 30th December 2009. ▪ He wished members a Merry Christmas and prosperous New Year. He cautioned members to celebrate Christmas responsibly. ▪ He also informed members that Hon. Werikhe M. the Minister of State in charge of Housing had lost his beloved father. Burial arrangements will be communicated later. 	All to note
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Min. 15/2009/SWG: Reading of previous minutes and matters arising

Minutes of the previous meeting were read and adopted as a true record of what transpired in the meeting.

Matters arising

Issue	Response
<p>There is need to circulate the Ministry’s Draft Clients Charter to members of the SWG for comments.</p> <p>The sector outputs are still too many; they should be merged and ranked according to priorities as it was agreed upon in the last meeting.</p>	<p>The Sec. LHUD-SWG to circulate the draft charter to members.</p> <p>The three sub sectors of Lands, Housing & Urban Development should sit with the SWG Secretariat to come up with output priorities which are manageable.</p>

Min. 16/2009/SWG: Presentation of the Draft Concept Note on LHUD-SWG

The draft concept note on LHUD-SWG was presented by Mr. Mugenyi Stephen (Senior Economist – MLHUD).

In his presentation he highlighted the following:

- He incorporated all the concerns raised by members during the previous meeting into the draft concept note;
- Background to the Lands, Housing & Urban Development Sector (LHUDS);
- Situational Analysis of LHUD Sub sectors;
- Under the Situational Analysis of each sub sector, he highlighted:
 - The background;
 - The constraints;

- The rationale for enhanced financing;
 - Strategic Objectives;
 - Priorities and strategies;
 - Programme/activities that require additional funding;
 - Programmes that may require formulation of new projects;
 - Expected outputs from the implemented new projects;
 - Expected outcomes from the implementation of the proposed activities.
- Cross cutting interventions particularly for the Planning and Quality Assurance Department and the Department of Finance and Administration to support the Sector Wide Approach to Planning (SWAp) and establishment of Project Monitoring and Evaluation Framework.

Comments raised regarding the presentation on the draft concept note

Issue	Response/Action
The concept note should highlight issues of absence of structures at the Local Governments particularly for the Housing and Physical Planning and Urban Development sub sectors.	The affected sub sectors and the SWG Secretariat should handle and highlight the issues.
There is need to enrich the section on the Housing sub sector, by including the quality of housing and enforcement of building standards.	SWG Secretariat and Directorate of Housing to handle
Issues of land financing at the local governments should be highlighted in the concept note.	SWG Secretariat to handle
The MLHUD should link up with the Ministry of Public Service to create positions of Architects at the districts to help in the approval of building plans.	Director, Housing to handle
Local Governments are complaining that the MLHUD does not send them Indicative Planning Figures (IPFs) during the budgeting process.	<p>The chair clarified that IPFs are sent for delegated services like health and education. The MLHUD does not have delegated services at the districts.</p> <p>Local Governments need to be sensitised on the decentralised services so that they can be allocated funds by the district councils. Director, Land Management should spearhead the</p>

	<p>process.</p> <p>The MLHUD only provides technical backstopping.</p>
<p>A footnote on the definitions of urbanisation and urban growth should be included in the concept note.</p>	<p>SWG Secretariat</p>
<p>Private Sector Foundation – Uganda has not been responsive regarding the delayed construction/renovation of District Land Offices despite the numerous communications sent by the Permanent Secretary. A case in point is the delayed construction of Jinja and Mbale Land Offices.</p> <p>There is need for PSFU to respond to all the issues raised by the Permanent Secretary, MLHUD.</p>	<p>Executive Director, PSFU</p>
<p>Min. 17/2009/SWG: Presentation & Discussion of Project Proposals</p>	
<p>1. Support to Municipal Integrated Infrastructure Development (SMIID) Project, by Mr. Mabala Samuel, Comm. Urban Development</p>	
<p>In his presentation, the CUD, highlighted: The background to the project. He pointed out that Uganda’s high rate of urbanisation has affected the functionality of the Capital City and Municipalities particularly in public service and infrastructure development.</p> <p>He further pointed out that the proposed project aims at attaining sustainable, integrated and coordinated municipal infrastructure development that facilitates effective and efficient service delivery in the 13 Municipalities in Uganda thus; Gulu, Lira, Masaka, Mbale, Kabale, Moroto, Mbarara, Arua, Entebbe, Jinja, Fort Portal, Soroti and Tororo Municipal Council.</p> <p>Further more, he elaborated that the</p>	<p>All to note</p> <p>All to note</p>

Government through various interventions had prepared structure plans and detailed plans to guide urban development. However, due to lack of resources and the relevant capacity, most of the plans had not been implemented hence the need to come up with a project to facilitate the implementation of the ongoing Government programmes in the urban centres.

He further pointed out that once the project is implemented; the 13 Municipalities will have improved urban infrastructure services, increased urban production and service delivery, environmental and social impact assessment manuals among others.

The meeting learnt that the World Bank is expected to contribute US\$ 100 million for a period of 5 years starting July 2011, but more funds are still required to fully implement the project activities.

Under the plan of operation, the presenter highlighted that the proposed project will be a five-year initiative. The MLHUD will be responsible for the overall coordination of the program and will work closely with the Ministry of Local Government and other key stakeholders.

On the sustainability of the project, the presenter pointed out that the project will be achieved through institutional support to enhance the capacity of institutions at the national level to put in place appropriate systems. The project will also be incorporated into the national budgeting system.

At the municipal level, the support will focus

<p>on effective physical planning, enforcement of compliance and implementation of physical development plans, including capacity for revenue generation, operation and maintenance of infrastructure.</p> <p>Lastly, the presenter requested the meeting to approve the project so that it can be forwarded to the MFPED for consideration.</p>	
<p>2. A Programme for Transforming Settlements of the Urban Poor in Uganda. By Mr. Mabala Samuel, Com. Urban Development</p>	
<p>The presenter informed the meeting that the Government of Uganda had secured a grant of US\$ 4,000,000 from Cities Alliance to assist in the development of city wide strategies to upgrade existing slums and to help cities and their citizens' plan and implement strategies for future growth. The project will commence in FY 2010/11 and will be for three years.</p> <p>He also informed the meeting that the programme will be implemented in 5 Municipalities namely Arua, Jinja, Kabale, Mbale and Mbarara.</p> <p>He further elaborated that the grant will be used to strengthen the capacity and avail resources to the urban poor, better enabling them to enter into development partnerships with the local governments. The grant will also be used to assist communities and local governments to extend basic services to informal/slum areas, formalise existing settlements and make appropriate provisions for future growth.</p> <p>He however informed the meeting that for the project to succeed there is need to undertake bold changes in policy and practice, by employing more inclusive approaches to the</p>	<p>All to note</p>

<p>urban poor and carrying out proactive preparations for an urban future.</p> <p>The presenter further informed the meeting that the project was in line with the pillars of the PEAP as it seeks to increase the ability of the urban poor to raise incomes and improve their quality of life. The project will also contribute to the implementation of the National Development Plan still under formulation.</p> <p>The presenter informed the meeting that under plan of operation, the MLHUD will be responsible for project implementation and overall accountability. However, other agencies like the Urban Authorities Association of Uganda, Makerere University and other active Cities Alliance members will take part in the implementation and financing of the project.</p> <p>On the sustainability of the project, the presenter pointed out that this will be achieved through support of the national urban agenda at national and municipal levels as well as promoting the participatory approach to urban planning and management based on clearly identified community profiles.</p> <p>Lastly, the presenter requested the meeting to approve the project so that it can be submitted to MFPED for consideration.</p>	
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Comments raised regarding the above two presentations by CUD

Issue	Response/Action
The two projects seem to be linked to each other. There is need to come up with a clear distinction between the two projects so that MFPED does not confuse them to be the same.	CUD & SWG Secretariat
There is need to be specific and indicate NRM	CUD

- The project will provide access to housing finance for 250 low income earners.
- The total planned expenditure for the project is US\$ 1,770,000 out of which UN- Habitat will contribute US\$ 500,000; DFCU- US\$ 500,000 and GoU-US\$ 770,000 (funding gap), however, it was noted that the GoU contribution of (US\$770,000) is mostly an 'in-kind' contribution made up of things such as land and technical back up.
- The project is in line with the pillars of PEAP and the MDG that seek to increase income and improve the quality of life as well as improving the living conditions of slum dwellers.
- The project is expected to start in FY 2009/10 and be completed in FY 2012/13, with monitoring and evaluation winding up in 2020.
- Under the plan of operation, the MLHUD is responsible for project implementation and overall accountability for effective and efficient utilisation of project funds as well as achieving the project objectives. A project steering committee will be constituted to over see the day to day operations of the project and secretariat will be situated at the MLHUD.
- Under the sustainability of the project, a number of measures have been put in place such as UN-Habitat has put aside funds to kick start the project and DFCU

<p>is to top it up, the interest rate for the mortgage is 10% payable over a period of ten years, Kasoli Housing Association will mobilise the beneficiaries and help in the recovery of the loan, and DFCU will manage the mortgage recovery as well as monitor its performance.</p> <p>Lastly, the presenter requested the meeting to approve the project so that it can be submitted to the MFPED for consideration.</p>	
<p>4. Public Servants Housing Scheme Project, by Mr. Dramani Santino, Ag. ACHS(P)</p>	
<p>In his presentation, the Ag. ACHS (P) pointed out that the Government of Uganda adopted the divesture policy on housing in 1992, where it sold its stock of pool houses and non-core institutional houses to the sitting tenants.</p> <p>The divesture policy was able to benefit only 5% of the total establishment of over 120,000 employees at the time. Leaving a balance of 95% of the employees having not benefited from the policy of divesture.</p> <p>He further elaborated that the exercise of selling off Government houses which started in 1995 will be accomplished by the end of the FY 2009/10. The proceeds from the sale of the Government houses is now over UShs. 12 billion. The fund is expected to grow to UShs. 50 billion after completion of the sales.</p> <p>He therefore informed the meeting that the Public Servants Housing Loan Scheme is intended to provide public servants with descent housing as a means of improving welfare and creating a more productive labour force. This will be done through advancing loans to public servants on a revolving basis.</p>	<p>All to note</p> <p>All to note</p>

<p>Under the financing of the project, the presenter informed the meeting that the funds will be sourced by the Government of Uganda from the revolving fund created from the proceeds of the sale of pool houses. So far UShs. 12 billion is available and the Government expects to collect additional UShs. 50 billion from the sale of unsold properties, recoveries from old loans and new loans and repayments of the principal and interest on all loans.</p> <p>On the sustainability of the project, the meeting was informed that a number of measures have been inbuilt to ensure that the project succeeds such as determination of individual loans will be based on affordability and are paged on salary to ensure timely recovery, among other strategies.</p> <p>The presenter lastly requested the meeting to approve the project proposal so that it can be forwarded to the MFPED for consideration.</p>	
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Comments raised regarding the above two presentations by Housing Sub sector

Issue	Response/Action
The presentation on the Public Servants Housing Loan Scheme has not been exhaustive; all the documentation should have been presented to the members in the meeting.	Ag D/H
The presenter on Public Servants Housing Loan Scheme should have indicated how much funds will be voted every year by the Government?	Ag. D/H
There is need to have a clear projection of the beneficiaries and the funds required?	Ag. D/H
There is need to clarify the time frame within which the UShs 50 billion shall be realized so as to enable the SWG plan better for possible	Ag. D/H

budget support	
Clarifications were also sought on the interest rate for the Public Servants Loans, and also with the market rates fluctuating, wouldn't the payable interest rate get problems since it follows the ever changing market rate?	The meeting was informed that the interest rate will be 3% below the ruling market interest rate.
On Kasoli project, members requested that land titles be written in the names of both spouses as a way of protecting the women.	The communities in Kasoli are being sensitised on the benefits of the project.
There is need to work out a mechanism where public servants can contribute towards the housing loan scheme as a way of increasing project funding.	Ag. D/H will look into additional sources for funding.
There is need to engage the National Social Security Fund in financing the Public Servants Loan Scheme	Ag. D/H
Projects have a lifeline, so the Public Servants Housing Loan Scheme can not have the completion date as continuous.	AG.D/H to adjust the completion date
Why has it taken long to operationalise the public servants housing loan scheme despite the Cabinet directives?	The operationalisation of the loan requires an Act of Parliament, and the MFPED is required to spearhead it. The process of operationalisation of the loan has commenced with the presentation of the project proposal to the Sector Working Group to approve it.
<p>The meeting resolved as follows:</p> <ul style="list-style-type: none"> ▪ The project proposal on Kasoli Housing Development Project be approved subject to incorporation of the comments raised by the members. ▪ The approval of the project proposal on Public Servants Housing Loan Scheme be differed to the next meeting due to insufficient information which was provided by the presenter. ▪ The Housing Sub sector improves on the project proposal on Public Servants Housing Loan Scheme before it can be presented in the next SWG meeting. 	

Closure of the Meeting

There being no any other business, the Chairman adjourned the meeting at 1.45 pm.

Next meeting will be held on Friday 22nd January 2010 at 10.00am in the Ministry Boardroom.

Recorded by;

Confirmed by;

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SECRETARY

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CHAIRMAN