

IEG ICR Review

Independent Evaluation Group

1. Project Data:		Date Posted : 01/12/2011	
PROJ ID : P090219		Appraisal	Actual
Project Name : Uganda Poverty Reduction Support Credit 6	Project Costs (US\$M):	125	125
Country: Uganda	Loan/Credit (US\$M):	125	125
Sector Board : PO	Cofinancing (US\$M):		
Sector(s): General public administration sector (50%) Health (15%) General water sanitation and flood protection sector (15%) General education sector (15%) General agriculture fishing and forestry sector (5%)			
Theme(s): Other accountability/anti-corruption (29% - P) Public expenditure financial management and procurement (29% - P) Rural policies and institutions (14% - S) Education for all (14% - S) Health system performance (14% - S)			
L/C Number: C4296			
	Board Approval Date :		04/26/2007
Partners involved : United Kingdom (DFID), African Development Bank Germany, Ireland, the Netherlands, Norway and Sweden	Closing Date :	11/30/2008	11/30/2008
Evaluator :	Panel Reviewer :	Group Manager :	Group :
J. W. Van Holst Pellekaan	Kris Hallberg	Ali Khadr	IEGCC

2. Project Objectives and Components:

a. Objectives:

This operation was the first in a programmatic series of development policy operations comprising the following :

Uganda: Poverty Reduction Support Credit 5 (P090881)
Uganda: Poverty Reduction Support Credit 6 (P090219)
Uganda: Poverty Reduction Support Credit 7 (P101231)

Neither the Program Document nor the Development Financing Agreement provided a clear statement of the objectives of this series of operations. **The closest to a statement of an overall objective is that "PRSC 6 is the second in a series of three PRSCs planned to support implementation of Uganda's third Poverty Eradication Action Plan (PEAP)." (PD, paragraph 32).**

The ICR stated that the original PDO for the PRSC 5-7 was "The proposed grant/credit is a core operation to finance the implementation of selected strategic objectives of Uganda's Poverty Eradication Action Plan /Poverty Reduction Strategy Paper (PEAP/PRSP). The PRSC has been a core element of the Bank's support for Uganda, supporting four pillars of the PEAP: Economic Management (Pillar 1); Enhanced Production, Competitiveness and Incomes (Pillar 2); Good Governance (Pillar 4); and Human Development (Pillar 5)."

However, the source of this statement could not be found in any of the PDs for the PRSCs. Nevertheless, it was clear from the PDs that the PRSC series was intended to support selected strategic objectives in four of the five PEAP pillars. Therefore, for the purpose of this Review the objective of the PRSC series is interpreted to be : To achieve selected strategic objectives under Pillars 1, 2, 4 and 5 of the PEAP.

The pillars and strategic objectives for PRSCs 6 are listed below (see paras 43 to 110 in the PD for PRSC 6). Most of the strategic objectives were the same throughout the PRSC series with four exceptions as noted in Section 2a of the ICRR for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231).

PEAP Pillar 1 - Economic Management : Strategic objective supported by the PRSCs was to :

(i) Maintain macroeconomic stability Consistent with rapid private sector led growth - stimulated by increased access of the private sector to financial services .

PEAP Pillar 2 - Enhance Production, Competitiveness and Incomes : Strategic objectives supported by the PRSCs were:

- (i) Promote an efficient and competitive private sector;
- (ii) Increased and more efficient agricultural production;
- (iii) Strengthened environment and natural resource management;
- (iv) Strengthened financial sector in support of increased production of goods and services .

PEAP Pillar 4 - Good Governance : Strategic objectives supported by the PRSCs were :

(i) Public financial management strengthened - including improved public financial management (PFM) and procurement, reduced corruption, improved public sector performance, and strengthened local government (LG) systems for better service delivery .

PEAP Pillar 5 - Human Development : Strategic objectives supported by the PRSCs were :

- (i) A better educated society - including increased access to and quality of primary, secondary and tertiary education;
- (ii) Healthier Ugandans - including improved utilization and quality of health care, improved access to maternity services, improved family planning, and improved children access to immunization care; and
- (iii) Improved water and sanitation system - including improved access to safe water supply and sanitation and improved water facilities maintenance.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Components (or Key Conditions in the case of DPLs, as appropriate):

There were 11 prior conditions for this single tranche operation . They were as follows.

Pillar 1: Economic Management

1. Government has agreed with donors on the Medium Term Expenditure Framework for 2006/07-2008/09, and has executed the FY2005/06 budget consistent with the budget allocation and taken remedial action in the FY2006/07 budget where major deviations occurred .

Pillar 2: Enhancing Production, Competitiveness, and Incomes

2. Strengthen the coordinated approach to improve the investment climate, and make satisfactory progress on agreed key investment climate undertakings identified in the PEAP (including reforms in institutions that can impede or facilitate the access of businesses and potential investors to formal registration, land titles, and courts).

3. Satisfactory implementation of core undertakings as agreed in the October 2004 Joint PMA Annual Review and confirmed by the October 2005 review.

Pillar 4: Good Governance

4. Ministry of Public Service has approved a revised organizational structure for the Accountant General 's Office that will operationalize the Public Finance and Accountability Act of 2003 and enable financial management reforms such as the implementation of the Integrated Financial Management System . The audit bill is ready for cabinet by February 2007. Satisfactory progress with implementing measures to improve the effectiveness of the public procurement system by January 31, 2007.

5. Satisfactory implementation of the National Anti-Corruption Action Plan as the framework to assess progress in the fight against corruption continues .

6. The IGG commits to reducing the incidence and experience of corruption measured by the national integrity survey; introducing special anti-corruption courts to expeditiously deal with cases of a corrupt nature; and clearing the backlog of cases under the IG .

7. Satisfactory progress in implementing new phase of Public Service Reform Program reflected by accomplishment of the agreed undertakings .

8. Submission of an inception report for a study to assess the feasibility of control of the size of the public service and integrating staffing and wage bill issues into the budget process .

9. Satisfactory progress on core undertakings agreed by Joint Annual Review on Decentralization (JARD) 2004 and JARD 2005.

Pillar 5: Human Development

10. Satisfactory implementation of the undertakings agreed in the education sector review in November 2004 and confirmed by the 2005 review, and of the undertakings agreed in the 2005 review and confirmed by the October 2006 review.

11. Satisfactory implementation of the undertakings agreed in the health sector review in November 2004 and confirmed by the 2005 review, and of the undertakings agreed in the 2005 review and confirmed by the October 2006 review.

12. Satisfactory implementation of undertakings agreed in the water and sanitation sector review in September 2004 and confirmed by the 2005 review, and of the undertakings agreed in the 2005 review and confirmed by the September 2006 review.

d. Comments on Project Cost, Financing, Borrower Contribution, and Dates:

See the ICR Review for the "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231) which addresses these issues for the entire programmatic series . The development partners listed in section 1 did not co-finance PRSC 5 - although some (DFID and the AfDB) provided parallel financing .

3. Relevance of Objectives & Design:

This operation has been assessed as part of a programmatic series . Please see Section 3 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231) for the assessment of the series.

4. Achievement of Objectives (Efficacy):

This operation has been assessed as part of a programmatic series . Please see Section 4 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231) for the assessment of the series.

5. Efficiency (not applicable to DPLs):

a. If available, enter the Economic Rate of Return (ERR)/Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation :

	Rate Available?	Point Value	Coverage/Scope*
Appraisal		%	%
ICR estimate		%	%

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome:

This outcome rating is for the entire programmatic series . See Section 6 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (101231) for the rationale.

a. Outcome Rating : Moderately Satisfactory

7. Rationale for Risk to Development Outcome Rating:

The assessment of risk to development outcomes is for the entire programmatic series . Please see Section 7 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231)) for the assessment of the series.

a. Risk to Development Outcome Rating : Moderate

8. Assessment of Bank Performance:

This assessment of Bank performance for the entire programmatic series . See Section 8 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231) for the assessment of the series.

a. Ensuring Quality -at-Entry: Moderately Satisfactory

b. Quality of Supervision : Moderately Satisfactory

c. Overall Bank Performance : Moderately Satisfactory

9. Assessment of Borrower Performance:

This assessment of Borrower performance for the entire programmatic series . See Section 9 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231) for the assessment of the series .

a. Government Performance :Moderately Satisfactory

b. Implementing Agency Performance :Moderately Satisfactory

c. Overall Borrower Performance :Moderately Satisfactory

10. M&E Design, Implementation, & Utilization:

This assessment of M&E quality is for the entire programmatic series . See Section 10 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231).

a. M&E Quality Rating : Modest

11. Other Issues (Safeguards, Fiduciary, Unintended Positive and Negative Impacts):

Please see Section 11 of the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231) for a discussion of these issues pertaining to the entire series .

12. Ratings:	ICR	IEG Review	Reason for Disagreement / Comments
Outcome:	Moderately Satisfactory	Moderately Satisfactory	
Risk to Development Outcome:	Significant	Moderate	This Review came to a more positive judgment of the Government's ability to address the issues which the ICR felt would significantly risk the sustainability of development outcomes. For the MDRI Uganda is defined as a "strong policy performer".
Bank Performance :	Moderately Satisfactory	Moderately Satisfactory	
Borrower Performance :	Moderately Satisfactory	Moderately Satisfactory	
Quality of ICR :			

NOTES:

- When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.
- The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate .

13. Lessons:

The lessons for the overall series are presented in the ICR Review for "Republic of Uganda: Poverty Reduction Support Credits (PRSCs) 5, 6 and 7" (P101231).

14. Assessment Recommended? Yes No

15. Comments on Quality of ICR:

a. Quality of ICR Rating :