



THE REPUBLIC OF UGANDA

IN THE MATTER OF THE CONSTITUTION OF THE REPUBLIC OF  
UGANDA AND THE LOCAL GOVERNMENTS ACT CAP 243

CONDITIONAL GRANT UTILIZATION AGREEMENT

FOR FINANCIAL YEAR 2012 – 2013

BETWEEN

MINISTRY OF GENDER, LABOUR AND SOCIAL DEVELOPMENT

AND

LOCAL GOVERNMENTS

**THIS Agreement** is made this 11<sup>th</sup> day of **May 2012** between the Ministry of Gender, Labour and Social Development (MoGLSD) of P.O. Box 7136 Kampala (hereinafter referred to as the “**First Party**”) of the one part and which expression where the context so permits shall include its assignees, representatives and anyone acting under its authority, and **the Local Governments represented by Uganda Local Government Negotiation and Advocacy Team (UNAT)** of c/o P.O. Box 23120 or P. O. Box 23092 Kampala (hereinafter referred to as the “**Second Party**”) of the other part and where the context so permits shall include its assignees, representatives and any one acting under its authority.

For purpose of this Agreement, the two shall be jointly referred to as “**the Parties**”.

**Preamble:**

Article 193(3) of the Constitution of the Republic of Uganda and Section 83(3) of the Local Governments Act Cap 243 provide “*Conditional grants shall consist of monies given to Local Governments to finance programmes agreed upon between the Government and Local Governments; and shall be expended only for purposes for which it was made in accordance with the conditions agreed upon*”. The above provision require the expenditure of the conditional grants in accordance with the conditions agreed upon and this necessitates for the local Governments to sit together with the sector ministries (Government) to agree upon the conditions

Pursuant to the above, the Uganda Local Governments Association and Urban Authorities Association of Uganda, acting on behalf of the Local Governments, established the Uganda Local Governments Negotiation and Advocacy Team (UNAT) in 2004 with an aim of representing them and negotiating on their behalf, with the Sectors, the conditions for Conditional Grants utilization

The UNAT is constituted by members of Uganda Local Governments Association and Urban Authorities Association of Uganda.

The negotiations are organized and chaired by the Local Government Finance Commission, and witnessed by LGFC, Ministry of Local Government, Ministry of Finance, Planning and Economic Development and Ministry of Public Service

### **WHERE AS**

1. The Ministry of Gender, Labour and Social Development has the statutory responsibility of inspection, supervision, monitoring, regulation, coordination, mentoring, and provision of technical guidance to local governments in the implementation of government programmes;
2. The Local Governments are the implementers of government programmes within their locality and jurisdiction in accordance with the Constitution of the Republic of Uganda 1995 and the Local Governments Act Cap 243;
3. Both parties have a common objective of implementing agreed upon conditions for expenditure of the conditional grants

**NOW THEREFORE**, having deliberated, do hereby agree to work together towards achieving the above common goal and in so doing, the Parties agree to be bound by the terms and conditions as stipulated here below.

### **Agreement:**

- a) The Agreement shall be deemed to have come into effect on the date of commencement of the financial year and shall run for a period of one year from 1<sup>st</sup> July 2012 to 30 June 2013, subject to mid-term review
- b) Modification of the terms and conditions of this agreement shall only be made by written and signed agreement between the Parties hereto.
- c) None of the parties to this agreement shall be held liable on any of their obligations herein if owing to an occurrence or event beyond their control or reasonable foresight and without negligence on their part, execution of this Agreement has been rendered impossible. In such circumstances, the parties shall mutually agree on the appropriate way forward



- d) Failure to implement any of the provisions of this agreement by any of the parties shall be communicated to the affected party by the defaulting party within two (2) months from the date of failure to implement. The notification shall clearly state the reasons for failure and shall be delivered at the duly appointed and known address of the Local Government Finance Commission, with copies to Uganda Local Governments Association (ULGA), Urban Authorities Association of Uganda (UAAU), Ministry of Local Government, Ministry of Finance Planning and Economic Development, and Ministry of Public Services.
- e) The Parties shall perform the services and carry out their obligations with all due diligence, efficiency, and economy.
- f) The Parties shall have a mid term review to discuss the progress in implementation; highlight challenges faced and make recommendations to improve the process.

### **Purpose**

The purpose of this agreement is to define and set out the terms and the conditions for the expenditure of the conditional grants for the Financial Year 2012/2013 in the Social Development Sector.

### **Obligations of the Social Development Sector**

- a) The Ministry shall prepare and disseminate the sector guidelines which will become effective at the commencement of the year for which the negotiation is targeting (FY 2012/2013)
- b) Shall communicate through circulars addressed to the Chief Administrative Officers and Town Clerks, the issues agreed upon in the negotiations for local governments to implement in their respective sectors.

### **Obligations of the Local Governments**

- a) The UNAT through their Constituent organizations (ULGA and UAAU) shall disseminate to their members the agreements and highlight the obligations of the local governments.
- b) Implement their programmes based on the guidelines issued by the MoGLSD
- c) Timely response to issues



## **Mid-Term Review (October 2012)**

(1) There shall be a Joint Technical Committee (JTC) comprising of six (6) members drawn in the following ratio

1. Local Governments Finance Commission: 1
2. Uganda Local Governments Association: 1
3. Urban Authorities Association of Uganda :1
4. Sector Ministries: 2 from each sector
5. Office of the Prime Minister: 1

(2) It is agreed that the following shall be ex-officio members to the Committee for purposes of providing technical guidance.

6. Ministry of Finance, Planning & Economic Development: 1
7. Ministry of Local Government: 1
8. Ministry of Public Service: 1
9. National Planning Authority:1

(3) It is further agreed that Local Government Finance Commission shall be the Chair of the JTC

(4) It is agreed that the following shall be the Terms of Reference (TORs) for the Joint Technical Committee.

- Oversee implementation of the agreements and monitor the progress of either party.
- Ensure that the Agreements are disseminated to all stakeholders.
- Conduct a mid term review of the implementation process so as to obtain feed back and disseminate it to the parties.
- Identify the non complying parties and make recommendations to the ministry of finance, and office of the prime minister for appropriate sanction
- Handle any other upcoming issues.
- The Joint Technical Committee shall report to the respective Policy Organs of their Institutions
- Any other activity that may be agreed upon by the parties.

## **Obligations of the Parties**

(1) **Public Libraries:**



**Noted that:**

There are currently 32 libraries throughout the country and 104 community centres. ICT is one of the priority interventions for integration into the library policy. A Draft National Library policy is with the Ministry of Finance for certificate of financial implications.

The libraries are not well equipped and at times with irrelevant materials. The libraries lack internet connectivity. Some libraries do not have enough appropriate materials. There is poor reading culture among the community.

The coming restructuring offers opportunity to lobby for structure for staff for the public libraries in LGs.

Resources for libraries are mainly inform of donated books. About 34,000 new books are donated each year.

**Agreed That:**

- i. By the next negotiations all the processes of finalizing the Library Policy would have been concluded**
- ii. LGs should be assisted to sensitize the public on the existence of the public libraries**
- iii. Agreed that when the Policy is approved, the MoGLSD shall disseminate to the local governments.**

**(2) Sector Investment Plan:**

The MoGLSD had national consultative meetings attended by CDOs. The sector plan is ready and is in print.

**Agreed that:**

**The MoGLSD should disseminate the Sector Investment Plan.**

**3 Orphan and Other Vulnerable Children (OVC)**

**Noted that:**

There are a number of orphanages coming up and the community is being exploited. Some orphanages are established as schools. The MoGLSD is working with the MoES and the NGO board to regulate the operations of the institutions.

The funding for OVC has been mainly project based and from the development partners especially USAID.



**Agreed that:**

**The MoGLSD shall continue to advocate for more Government funding for OVCs programme. Urge donors to mainstream funding to the JBSF instead of direct project funding and follow up with the MoFPED.**

**4. Funding for Community Development Service**

**Noted that:**

Community mobilization and empowerment is one of the strategic interventions of the MoGLSD. The conditional grant is inadequate and the MoGLSD has requested 4for UGX 4.17bn for the conditional grant. The sessional committee of Parliament has upheld the Ministry's request.

Community development is an office which offers cross-cutting services. It mobilizes for health, water, education, roads, etc including analyzing and supporting departments to ensure that plans are Gender sensitive and have community input.

The function is however, not funded adequately to support the other departments.

**Agreed that**

**The MoGLSD shall come out strongly on the need to increase funding to the sector given its relevance and contribution to the sustenance of the Social Sector Development programmes.**

**5. Dissemination of the NGO Guidelines**

**Noted that:**

This is a responsibility of the Ministry of Internal Affairs. However, the MoGLSD is represented on the NGO Board. The social development sector has disseminated the NGO guidelines mainly to CDOs. Many activities carried out by NGOs mostly fall within the Social Development Sector.

**Agreed that:**

**The Sector will work closely with the NGO Board to ensure that the sector NGO guidelines are disseminated to all LG leaders.**

**6. Electoral Laws for Interest Groups**

**Noted that:**

The MoGLSD has finalized the National Council for older persons Bill and submitted it to Cabinet.

Some districts have representatives of the elderly on their councils.



Women Councils Amendment Bill have been passed by Parliament but the election will be held alongside the LC elections

**Agreed that:**

**MoGLSD agreed to provide guidelines on representation of older persons in local government councils.**

## **7. Remand Homes**

**Noted that:**

It is not economical and viable for each LG to run a remand home. The MoGLSD is working with the JLOS sector to rehabilitate regional remand homes. The Children's Act is under review to repeal the requirement that each district should run a remand home. The regional remand homes shall continue to operate.

Some districts have gone ahead to establish remand homes as a result of the pressure in their district. Such cases include Bushenyi, Gulu and Arua.

**Agreed that**

**The MoGLSD should ensure that the Childrens Act on establishment of remand homes at district level is reviewed to provide for regional remand homes in which member districts within the region contributes to the management of the remand homes**

## **8. Street Children**

**Noted that:**

The MoGLSD has a multi sectoral strategy on management of street children. The factors that push children to the street lie with the mandates of other Ministries. The Ministry is working closely with OPM and has sensitized the communities in Karamoja on the issue of street children.

The street children's guideline is in place. The role of the MoGLSD is to issue the enabling policy and standards. Enforcement is by the law enforcement departments of local governments. Most of the street children come from Karamoja and there has been effort to return them in the past.

**Agreed that:**

- i. The MoGLSD should intensify sensitization of the communities on how to handle the street children's and disseminate the guidelines**
- ii. The LGs should spearhead interventions for children within the districts**



- iii. **The Ministry should come up with a modality of (policy) of handling parents who deliberately send their children to the street**

## **9 Nature of Grants**

LGs have noted with concern that the grants for gender and community activities are generally static and that on many occasion, the IPFs do not reflect the needs on the ground as captured in participatory planning.

### **Agreed that**

**Resource allocation and utilization should be influenced by illiteracy rate, population of the District, disability costs, Area and number of lower local governments taking into consideration the needs on ground.**

## **10 Selective Nature of the Conditional Grants**

### **Noted that:**

The MoGLSD observed that this is as a result of the limited resources available. LGs noted with concern the selective nature of the grant; it leaves out a number of priority areas. Areas such as Probation, Culture and Gender do not have conditional grants.

### **Agreed that:**

**All deserving units / departments should be included such as Probation & Social Welfare, Culture and Gender.**

## **11. Special Grant to PWDs.**

### **Noted that:**

The PWDs constitute 10% of the population. The Ministry has very many unfunded priorities. The special grant for Persons with Disabilities is overwhelmed by the projects initiated. The money LGs receive currently can only support for 5 PWD groups and the amount is inadequate

### **Agreed That:**

- i. **The Special grant for PWDs should be maintained and lobby for increased funding considering the increase in the number of PWD groups.**
- ii. **The Ministry should develop a parameter for allocating the PWD grant based on among others the population**

## **12. Non-Wage Grant to Community Development Activities**





**Noted that:**

LGs are concerned about the inadequate fund to Community Development Workers, which does not match the volume of work they undertake.

**Agreed that:**

**The fund should be released timely and should further be increased by 100% to cater for operational costs in carrying out community development activities.**

**13 Lack of Transport for Mobilization and Monitoring of Communities**

**Noted that:**

LGs noted that Community Development Officers at Sub-county lack transport for instance a motorcycle to ease their work as they are mandated to mobilize, sensitize and monitor community activities.

**Agreed that:**

**LGs should be provided with motorcycles especially for the Sub-county staff to carry out community mobilization and empowerment.**

**14. Weak Enforcement of Policies on Gender Based Violence**

**Noted that:**

The Ministry has GBV activities under donor funding in the Busoga sub region and northern region of Uganda.

LGs note that there is weak enforcement of policies on domestic issues, which has made it very difficult to appreciate and address Gender Based Violence.

**Agreed that:**

**The center should support and strengthen the enforcement of laws on gender based violence so that gender issues are appreciated by all stakeholders.**

**15. Inadequate Knowledge on Gender Mainstreaming**

**Noted that:**

LGs are concerned about the inadequate knowledge on gender mainstreaming at all stages especially at sub-county / Town council level.

The MoGLSD informed the meeting that there is an initiative of training CDOs at postgraduate diploma level on Gender. LGs should bond their staffs who attend the training. The Ministry is liaising with the MoLG for LGs to use part of the



capacity building grants for LGs to conduct gender mainstreaming capacity building activities

**Agreed that:**

- i. The MoGLSD should support LGs to raise awareness on gender mainstreaming and training extension staff on the practical way of mainstreaming Gender.**
- ii. LGs should consider using the Capacity Building Grants to sponsor staff for diploma courses**

**16. Functional Adult Literacy (FAL)**

**Noted That:**

The ceiling of FAL funding has been constant for the last five years. Over the years, LGs have been faced by declining and inadequate funding for FAL programmes. Notably, FAL instructors are not facilitated adequately which affects motivation, which has led to high dropout rates for the instructors. The FAL learners are also increasingly dropping out.

**Agreed that:**

- i. In order to support and attract people to get involved in FAL programmes and activities, there is urgent need for increased funding towards FAL programmes. Notably, their package should hence be increased to boost their morale and MoGLSD should provide incentives for FAL**
- ii. LGs should continue subsidizing the FAL activities based on their capacities**

**17 Inadequate Grant for FAL Instructors**

**Noted that:**

LGs noted with concern the inadequate quarterly allowance for bicycle maintenance for Functional adult literacy instructors

**Agreed that:**

**Allowances for FAL instructors should be revised to match with the nature and volume of work currently being done by these instructors**

**18 Women, Youth and Disability Grant**

**Noted that:**

Because the grant is minimal, monitoring of programmes on women and youth activities has not been adequately undertaken.



**Agreed that:**

- i. MoGLSD should increase funding to meet the operational costs and to strengthen the monitoring/ supervision of the women, youth and disability council activities.**
- ii. Special Grant for women should be regularly sent to LGs to support developmental activities.**

## **19 Election of Women Council Committees**

**Noted that:**

The Cabinet has directed MoLG to work with MoGLSD so that women council elections are conducted alongside LC elections. The LGs note that women councils expired in 2007 and the elections of new ones have not taken place.

**Agreed that:**

**The MoGLSD should set up modalities for election of women council committees at all levels and support their functionality.**

## **20 Mushrooming Children Homes**

**Noted that:**

LGs have noted with concern mushrooming Children Homes that are being operated by NGOs without approval from the MoGLSD.

**Agreed that:**

**The MoGLSD should strengthen the enforcement of the rules and regulation of babies and children's homes**

## **21 Grant for Organized Groups of Elderly Persons outside SAGE Project to Promote Active Aging.**



**Agreed that:**

**MoGLSD should provide a grant to LGs to support activities of the organized groups of the elderly persons outside the SAGE which is being piloted in 14 districts.**

**IN WITNESS WHEREOF** the appointed representatives of Parties hereto have set their hands on this agreement on the day, month and year first above written.

Signed for and On Behalf of **Local Governments:**

By: Odok Peter W'ochieng.....  
Authorized Representative  
UNAT

Signed for and on behalf of the Ministry of Gender, Labour & Social Development

By: Mrs. Sanyu Jane Mpagi .....  
Authorized Representative

**In witness hereof:**

**(Authorized Representative)**

For and On Behalf of LGFC  
Mrs. Sarah Mukasa

.....  
}

For and On Behalf of MoFPED  
Mr. William Ndoleriire

.....  
}

For and On Behalf of MoPS  
Ms Savia Mugwanya ...

.....  
}

For and On Behalf of MoLG  
Mr. David Irumba

.....  
}

For and On Behalf of NPA  
Mr. David Katungi

.....  
}

*Odok Peter W'ochieng*

*JFM*