THE REPUBLIC OF UGANDA

MINISTRY OF WORKS AND TRANSPORT

Works and Transport Sector

Annual Performance Report
Financial Year 2011/12

September 2012

Foreword

This document is the second Performance Report for the Works and Transport Sector, and shows that the sector is honouring its commitment to improved reporting and performance monitoring. In this report we are able to compare the performance of the last financial year, 2011/12, with that of the previous one. This helps demonstrate where the sector is developing and assists in identifying those areas where more attention is required to improve performance.

This year we have enhanced the Performance Report to include more detailed reporting on the road and transport situation in Kampala. I thank officers of the Kampala Capital City Authority for contributing to this. Stakeholders in the transport sector are highly aware of the road and traffic problems in our capital, and it is important that performance is monitored in order to assess the value for money of the increased level of resources that Government is devoting to Kampala.

The Performance Report now includes indicators so that we can monitor some of the cross-cutting issues in the transport sector. I welcome this initiative.

I am pleased to report that the Ministry has prepared Cabinet papers for a Road Safety Policy, and also for the principles of a National Road Safety Authority.

The Uganda National Roads Authority started work on road upgrading projects for Gulu-Atiak-Nimule, Vurra-Arua-Oraba, Hoima-Kaiso-Tonya, and Ishaka-Kagamba, along with reconstruction works on Mbarara-Ntungamo-Katuna and Mukono-Jinja. However, there are many more upgrading projects which urgently need funding if Uganda is to be economically competitive. Roads are, and will continue to be, the backbone of the country, but as a nation we need to invest more in roads in order that we reach our development goals.

This report highlights the continued underfunding of road maintenance for National Roads, DUCAR Roads, and roads in the capital city. We simply cannot afford this situation to continue. Roads are one of Uganda's most valuable assets, and sufficient and predictable funding for road maintenance is vital in order to protect the value of these assets.

Finally, I wish to thank all our Development Partners for their continued support to the sector, and look forward to continued partnerships in the future.

Hon. Abraham James Byandala
Minister of Works and Transport

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Abbreviations and Acronyms

AREP	Annual Road Expenditure Programme
ARMP	Annual Road Maintenance Programme
BRT	Bus Rapid Transit
CAA	Civil Aviation Authority
CARs	Community Access Roads
CDC	Constituency Development Committee
CRO	Constituency Road Officer
DAS	Designated Agencies
DRC	District Road Committee
DUCAR	District, Urban and Community Access Roads
EU	European Union
FY	Financial Year
GAPR	Government Annual Performance Report
GDP	Gross Domestic Product
GKMA	Greater Kampala Metropolitan Area
GoU	Government of Uganda
IPFs	Indicative Planning Figures
IRI	International Roughness Index
JTSR	Joint Transport Sector Review
KCCA	Kampala City Council Authority
Km	Kilometres
KPI	Key Performance Indicators
loco	Locomotive
M&E	Monitoring and Evaluation
MPBS	Ministerial Budget Policy Statement
MFPED	Ministry of Finance, Planning and Economic Development
MOLG	Ministry of Local Government
MOPS	Ministry of Public Service
MOU	Memorandum of Understanding
MOWT	Ministry of Works and Transport
MTEF	Medium Term Expenditure Framework
NDP	National Development Plan
NRSC	National Road safety Council
NTMP	National Transport Safety Council
OYRMP	One Year Road Maintenance Plan
PMO	Prime Ministers Office
PPDA	Public Procurement and Disposal of Public Assets Act
Ppm	Parts per million
PRDP	Peace Recovery and Development Plan
PSV	Passenger Service Vehicle
QPR	Quarterly Progress Report
RRP	Rural Roads Rehabilitation Programme
RSDP3	Road Sector Development Programme 3
RUCs	Road User Charges

SAPR	Sector Annual Performance Report
SIP	Sector Investment Plan
SWAP	Sector Wide Approach
SWG	Sector Working Group
TLB	Transport Licensing Board
UBOS	Uganda Bureau of Statistics
UGX	Uganda Shillings
UNEP	United Nations Environmental Programme
UNRA	Uganda National Roads Authority
UPF	Uganda Police Force
URA	Uganda Revenue Authority
URC	Uganda Railway Corporation
URF	Uganda Road Fund
USD	US Dollars

PART A – INTRODUCTION AND OVERVIEW

1. INTRODUCTION

1.1 BACKGROUND

The Uganda transport sector plays a crucial role in the growth of the Ugandan economy. It facilitates domestic and international trade, contributes to national integration, and provides access to jobs, health, education and other essential social and economic facilities.

The transport system's effectiveness, appropriateness and adequacy contribute a great deal to the successful implementation of the National Development Plan (NDP), the lowering of domestic production costs through timely delivery, and the enhancement of the economies of scale in the production process. It thus creates economic opportunities in the areas of market access, strengthening of competition, promotion of trade and export, tourism and, contribution to foreign investment which, further generates employment opportunities. In the past five years, Uganda has experienced unprecedented economic growth. Between 2006 and 2011 Gross Domestic Product (GDP) per capita grew by an average of 6.5%. Last year, growth slowed to 4.25%, but this was impressive against the backdrop of the global recession. This year GDP growth is expected to rise to 5.5%

Whilst the provision of transport infrastructure and services has contributed to this economic growth, the growth within the economy does place a burden on transport to which the sector must respond. At the same time, population has also been increasingly rapidly, and this has also added to the overall demand for transport within the country. Population growth last year was 3.6%, higher than the average for the past five years. The increase in demand for transport is especially evident in Kampala city, where the population is now over 3 million.

The five year National Development Plan (NDP) identified priorities for investment in all of the transport sub-sectors namely, roads, railways, water, and air transport whilst recognising that transport infrastructure, and in particular that of roads is insufficient to achieve the significant growth in productivity within the agriculture sector. In addition, the NDP also notes that the paved road network remains small in comparison to the overall network, whilst the railway has limited functionality and, that air services also remain limited. Against this background, the NDP establishes both plans and strategies for the sector which are reflected in the National Transport Master plan (NTMP), approved by Cabinet in December 2010.

This report therefore sets out how the transport sector in general has performed in response to these interventions. The document is the second Sector Annual Performance Report, and shows the performance of the last financial year (2011/12), compared to baselines of 2010/11. Future progress in the development and improvement of the transport sector can henceforth be effectively measured.

1.2 PURPOSE OF THE REPORT

This is the second Sector Annual Performance Report (SAPR) for the transport sector. It is designed to provide stakeholders both in and outside the transport sector with a summary of the performance of the transport sector in its delivery of Government programmes in FY 2011/12.

The Monitoring and Evaluation (M&E) strategy, forming part of the National Development Plan (NDP), provides an overview of the analyses and reporting needed to monitor and evaluate the Plan. Required reporting includes the SAPR and the Government Annual Performance Report (GAPR). The two reports complement each other. The purpose of the SAPR is to analyse performance of a particular sector from a policy and strategic perspective. The aim of the GAPR is to provide a basis for accountability for the use of resources and the achievement of results, across the various sectors of Government, and to guide decisions on resource allocation for the following financial year.

On the basis of lessons learnt from the 2011 SAPR, this year's report has been structured such that, in addition to reporting on policy and strategic challenges, it will also contain details and analysis of the Key Performance Indicators (KPIs) of the different transport sub sectors. It will also serve as a supplement to the reporting to OPM in tabular form by the GAPR tables and the brief statements contained therein. On the other hand, the analyses of the KPIs similarly serve as a background for the analysis of the policy and strategic challenges of the sector. These challenges will mainly focus on the needs for adjustment of policy and strategic direction, institutional reforms, planning and implementation, and financial performance, as appropriate.

Measurement of sector wide performance is presented by the 'Golden Indicators' which are included in the sector's Monitoring and Evaluation Framework. They will be supported by the documentation of performance of the individual sub-sectors by the KPIs.

A Sector Wide Approach (SWAP) to planning, implementation, reporting and accountability (SWAP) was adopted in 2001. The SWAP dialogue includes the Annual Joint Transport Sector Review (JTSR), which will be informed by the SAPR. Outputs of the sector dialogue, including results from the Annual JTSR, feed into strategic national processes including national budget/ public expenditure reviews and the General Budget Support (GBS) review. To serve this purpose effectively, the principal result of the Annual JTSR will be an agreed matrix of actions for the following year. The action matrix will be identified during discussions by the Review of the challenges facing the sector in the immediate and medium term. It will focus on needs for adjustment of policy and strategic direction.

The GAPR indicators and the Action Matrix are enclosed in Annexes 1 and 2, resepctively.

1.3 THE MONITORING AND EVALUATION FRAMEWORK

Monitoring and evaluation is a critical component of the transport sector's plan to improve performance and to monitor the resources invested, the activities implemented, services delivered as well as evaluate the outcomes and the long term impacts. Separate M&E frameworks have been established for different reporting systems. They include:

- Selected Key Performance Indicators (KPIs), the Golden Indicators, forming part of the SAPR, for reporting to the JTSR on sector wide performance from a policy and strategic perspective;
- GAPR performance indicators for bi-annual reporting to OPM on general performance and progress of all Government sectors including the transport sector. Indicators are selected (KPIs);
- Selected KPIs and process indicators (JAF indicators) for annual reporting to the Joint Assistance Framework (JAF) are used to determine direct budget support in four critical sectors including transport

- Selected KPIs in a separate M&E framework (to be defined) will be formulated for reporting on performance of transport development plans and programmes relative to targets in the NDP and NTMP (refer section 2.2)

The indicators complement each other and the same KPIs may be included in more than one M&E Framework.

The Golden Indicators summarise the transport situation in the road, rail, air and water transport sub-sectors, thereby enabling results based management of the sector. The Golden Indicators are related to the mandates and functions of the Ministry and its Agencies, and the objectives of the National Development Plan. The first SAPR, prepared in October 2011, identified 17 Golden Indicators. Following recommendations made at the last JTSR to include indicators for cross cutting issues, this year's report includes some indicators on Environment, Gender, HIV/AIDS and Occupational Health and Safety.

1.4 GOLDEN INDICATORS

The principle purpose of the Golden Indicators (Table 1.1) is the demonstration of sector wide performance aimed at overall strategic management, including the review of related policy issues.

Table 1.1: Golden Indicators

No.	Indicator	June 2011	June 2012	Target June 2013	Note
1	**Road network in fair to good condition (%)**				
	National roads (paved) – fair to good	74	77.6	78	
	National roads (unpaved) – fair to good	64	66.6	68	
	District roads(unpaved) – fair to good	55	65		1
	Urban roads (paved) – fair to good	50	61		
	Urban roads (unpaved) – fair to good	55	44		
	KCCA roads (paved) – fair to good	11			
	KCCA roads (unpaved) – fair to good	48			
2	**Paved road network (km)**				
	National roads	3,264	3,317	3,452	
	Urban roads	684	824	828	
	KCCA	416	422	428	2
3	**Road safety**				
	Fatalities per 10,000 vehicles	46	45	44	
	Total fatalities (roads death)	2,954	3,343		
	Total registered vehicles	635,656	739,036		3
4	**Road service level – travel time (Minutes/km)**				
	On national roads	NA	1.1		4
	On district roads				
	In Kampala		2.5		
5	**Road construction/ maintenance cost**				
	a Paved roads (1000 USD/km)				
	National roads – New-construction	NA	NA		5
	National roads – upgrading from gravel to tarmac	800 – 1,100	650 – 950		5
	National roads – Re-construction	520 – 725	890 – 980		5
	National roads – Rehabilitation	290 – 600	175 – 620		5
	National roads – Periodic maintenance	105 – 290	105-300		5
	National roads – Mechanized routine maintenance	1 – 3	8 - 17		5
	Urban roads – Rehabilitation	475	320-480		5
	Urban roads - Periodic maintenance	325	145		
	Kampala roads- Upgrading from gravel to tarmac		740-870		
	b Unpaved roads (1000 USD/km)				

	National roads - Periodic maintenance	15.5	13.3 – 15		5
	National roads – Mechanised routine maintenance	1.5 – 4.3	3.5 – 5.5		5
	District roads – Rehabilitation	18	14		6
	District – Periodic maintenance	2 – 8	5 - 8		7
	District roads - Routine maintenance	0.3 – 1	0.2 – 1.3		8
	Community Access roads - Routine maintenance	0.3 - 0.4	0.8		
6	**Rural accessibility**				
	Rural population living within 2 km of an all-weather road	NA	NA		9
	Population with access to Taxi / Matatu service (% of total)	37	NA		10
	All year motorable Community Access Road network (km)	3,490	4,200		
7	**Road maintenance needs met**				
	a Maintenance budget relative to requirement				
	a.1 Maintenance financed by URF				
	National roads – budget to requirement (%)	37	33		
	District roads – budget to requirement (%)	77	74		
	Urban road including KCCA – budget to requirement (%)	76	65		
	a.2 Backlog – Rehabilitation needs for roads in poor condition				
	Budget for all roads (Million USD)	NA	72.3		
	Unfunded backlog for all roads (Million USD)	NA	835.7		
	b Maintenance expenditure relative to release				
	National roads	100	100		
	DUCAR roads	71			11
8	**Compliance with axle load regulation**				
	Overloaded vehicles (% of total controlled)	54	55		12
	Average overload per axle (tonnes)	NA	2.39		12
	Number of weighted vehicles	169,477	161,184		12
	Number of overloaded vehicles	91,518	88,650		12
9	**Rail freight volume**				
	Total freight carried (million-tonne-km)	154.2	153.5	Conces-sion	
10	**Rail modal share at Malaba, Busia and Port Bell border points**				
	Total freight crossing the three borders (1000 tonnes)	6,738	7,736		13
	Freight that crosses the three borders by rail (% of total)	10.0	8.9		14
11	**Rail modal share on Lake Victoria ferries**				
	Freight transported on ferries by rail, registered at Port Bell border post (% of total). (For total freight registered at Port Bell refer Indicator 16)	13.1	11.7		
12	**Rail efficiency**				
	Locomotive productivity (km/loco/day)	131	168	RVR	
13	**Wagon utilization**				
	Wagon transit time (days)	16.2	11.5	RVR	15
	Wagon turn-round time (days)	27.1	26.6	RVR	
14	**International aircraft movements**				
	Commercial	24,051	27,732	28,500	
	Non commercial	10,285	12,164	12,500	
15	**Volume of passenger and freight carried by air transport**				
	a Air passenger traffic - International				
	Embarking	516,829	580,799	610,000	
	Disembarking	531,678	597,929	630,000	
	Transit	80,668	77,341	81,000	

	b Air passenger traffic - Domestic				
	Embarking	5,249	4,956	5,100	
	Disembarking	5,678	5,187	5,350	
	c Freight cargo traffic (tonnes)				
	Exported	26,444	31,842	33,400	
	Imported	20,221	21,408	22,500	
16	**Freight traffic on Lake Victoria**				
	Total freight on ferries as registered at Port Bell border post (tonnes)	66,582	106,315		13
17	**Passenger traffic on Lake Victoria**				
	Entebbe – Kalangala		74,873		
	Through Port Bell	NA	NA		16
	Through Jinja		NA		
18	**Cross cutting issues**				
18.1	**Environment**				
	a Emissions (air pollution or air quality index)				
	Ppm for CO_2 / CO/ SO_2/ NO_x	NA	NA		
	b Number of EIAs accepted by NEMA against total number of EIAs required (%)				
	Overall percentage for UNRA, MoWT, URC, CAA, URF	NA	91,7		
18.2	**Gender**				
	a Availability of gender focal person in 5 sub sectors (yes/ no)				
	Number of 'yes' out of a maximum possible of 5 (for UNRA, MoWT, URC, CAA, URF)	NA	5		
	b Women in employment in 5 sub sectors - %				
	Overall percentage covering all staff categories in 5 sub sectors (UNRA, MoWT, URC, CAA, URF)	NA	19		
18.3	**HIV/AIDS interventions (number)**				
	Total number for 5 sub sectors and 4 intervention categories	NA	22		
18.4	**Occupational health and safety - accidents at the work place (number)**				
	Total number for 5 sub sectors and 3 categories of accident	NA	994		

Notes:

- Measurements will have effect at the end of the FY. (Indicator 3 – Road safety by calendar year)
- USD exchange rate at midpoint of the FY 2011/12: USD 1 = UGX 2,500

1 June 2012 figure based on sample of 63 Districts
2 June 2012 figure based on km-equivalent of on-going upgrading contracts
3 Based on estimated updates of URA records until country-wide re-registration has been completed
4 Preliminary result of surveys carried out in August 2012
5 Range from rolling to mountainous terrain. Based on 5-year rolling records. Recording improved since 2011. Computed by sum total of all contracts of ongoing projects divided by the sum of km of all ongoing projects under particular intervention (e.g. upgrading to bitumen standard, reconstruction etc.)
6 Indicator for 2011 was based on estimates
7 Ranges have been given whilst data is being reviewed
8 Lower end of the range for manual works; higher end for mechanised
9 UBOS household survey (every three years) will collect data for this indicator. Computed data will be available for the FY 2012/13 SAPR.
10 Data from UBOS 2009/10 household survey (every 3 years). Sample size approximately 7500
11 Based on sample of 70% of LGA reports of expenditure. Experience shows that this provides close to actual.
12 Based on sample from 7 functioning weighbridge stations
13 Data from URA
14 Figure for FY 2011/12 refined
15 Time taken from Mombasa to Kampala
16 Consistent data available as from FY 2012/13

2. BACKGROUND TO THE SECTOR

2.1 TRANSPORT POLICY

Transport will continue to play a significant role in the social and economic development of Uganda. The Government therefore, recognises transport as one of its main priority areas for socio-economic development. The effectiveness of the role played by transport is, to a large extent, dictated by the soundness of transport policy and the strategies that are derived from it.

The overall strategy of the Government is shaped around the eight National Development Plan (NDP) goals of:

a) Increasing household incomes and promoting equity.
b) Enhancing the availability and equity of gainful employment
c) Improving stock and quality of economic infrastructure
d) Increasing access to quality social services
e) Promoting science , technology, innovation and ICT to enhance competitiveness
f) Enhancing human capital development
g) Strengthening good governance, defence and security
h) Promoting sustainable population and the use of environment and natural resources.

The Government is committed to the maintenance of a broad-based stable macro-economic framework, reform of the tax system, prudent debt management, regulations and incentives to encourage investment in the poorer regions and the efficient utilisation of public expenditures on poverty eradication initiatives. To achieve its objectives the Government will focus on the promotion of private sector growth and strategies to increase export competitiveness.

In the implementation of this policy for transport, emphasis will be placed on the promotion of active private sector participation.

The Government will not, as a rule, directly participate in the provision of transport services. Its role with respect to the supply of transport services is to provide policy guidelines and to clearly define by law and efficiently exercise it regulatory powers to ensure the establishment of a level playing field for the competitive provision of services. To achieve this, the Government will continue the process of institutional reform in the transport sector.

The Government will continue to play a dominant role in the provision and cost–effective development of a technically sound, economically and politically justified and financially sustainable infrastructure. One of the conclusions from this year's Performance Report is that greater priority needs to be given to the preservation of existing infrastructure assets, particularly road maintenance.

The Government will corporate with its international partners, including the East African Community, and the Northern Corridor Transit Agreement to ensure the efficient and safe passage of transit traffic, along with control over axle loads to protect road infrastructure.

The principles of strategy development that emerge from the Government's policies and approach are:

- Continued withdrawal of the ministry, where possible and by measure steps, from direct intervention in the management of the sector and the redefinition of the roles of the transport sector institutions in terms of policy development , regulation and performance monitoring;

- Decentralisation and support to local administration to enable them to assume more fully their responsibility for transport in the districts and municipalities;
- Employment of the private sector, where possible, in the financing, provision and management of transport infrastructure and services; according to performance criteria to be laid down by the Government;
- Involvement of users and stakeholders in the planning and management of the sector;
- Encouragement of national self-reliance particularly in the financing and implementation of the maintenance of infrastructures;
- Preservation of existing infrastructure before committing funds to new development;
- Establishment of policies and implementation of measures to ensure the safety of users of the transport networks;
- Development of policy and action plans to protect the environment; and generally enhances the mainstreaming of crosscutting issues in the entire transport sector;
- Development of an integrated transport system;
- A renewed emphasis on rail transport to provide an alternative cheaper means of transport for bulk goods;
- The temporary use of force account to deliver road works, particularly maintenance, during the period while the capacity of the national construction industry is being strengthened.
- Selective participation of the Government in the transport sector to promote efficient mass transport systems; and
- Regional cooperation to enhance trade.

2.2 NATIONAL TRANSPORT MASTERPLAN

The National Transport Master Plan, which in addition to a national focus also covers the greater Kampala metropolitan area, was approved by the Cabinet in December 2010. The plan constitutes an overall background for prioritisation of improvements to the transport system. It provides an assessment of the performance of the transport sector and proposes a multi-modal approach to identify sector priorities recognising the challenges facing transport in Uganda being a landlocked country. The Master plan concludes that whilst road will remain the dominant transport mode due to its flexibility, all modes have their role in the future transport system. The plan provides for improved inter-modal facilities at railheads, airports, ports, and landing sites. It also concludes that effective and fair competition between modes will enhance overall transport efficiency.

The Sector Working Group has agreed that an implementation plan will be needed to effectively plan and prioritise transport investment projects, and the Government is now preparing for development of a Strategic Implementation Plan (SIP) to supplement the Masterplan. The SIP will thus be the vehicle for the implementation of the National Development Plan (NDP), and the National Transport Masterplan (NTMP). It will aim to support the planning and implementation of short, medium and long term plans set out in the NDP and NTMP and others determined by Government from time to time.

The global objective of the SIP is to serve as an overall investment and implementation plan for multimodal development of the transport sector in Uganda, including the potential for private sector participation. There will also be a focus on regional and international corridors with an aim of reducing import/export costs. Based on priorities to be identified and defined for the sector as a whole and for each of the subsectors, SIP will comprise

- Effective short- term (3–5 years) and long-term (5–15 years) development plans for the transport sector
- An implementation action plan for the short-term plan, including financial, human and technical resources, as well as any policy reforms and priority interventions needed for the short-term period, and performance indicators and monitoring mechanisms.

The Ministry is in the process of procuring consultants to undertake preparation of the SIP.

2.3 INSTITUTIONS IN THE TRANSPORT SECTOR

Ministry of Works and Transport (MoWT)

The Ministry of Works and Transport has the responsibility for the overriding management of all transport functions within the transport sector.

The **Vision** is to have a reliable and safe infrastructure in works and transport that will deliver timely, quality, cost effective and sustainable services to the people of Uganda.

The **Mission** is to promote adequate, safe and well maintained works and transport infrastructure and services so as to effectively contribute to the socio-economic development of the country.

The **Mandate** is to:

a) plan, develop and maintain an economic, efficient and effective transport infrastructure;
b) plan, develop and maintain an economic, efficient and effective transport services by road, rail, water and air;
c) manage public works including Government buildings;
d) promote standard in the construction industry.

The MoWT is the lead agency in the transport sector, with the functions to:

a) initiate, formulate and develop national policies, plan and programmes for safe and efficient public transport infrastructure and services;
b) monitor and evaluate the implementation of national policies, plans and programmes for safe and efficient work, public transport infrastructure and services;
c) initiate and review laws and regulations on works and transport infrastructures and services;
d) set national standards for the construction industry, transport infrastructure and services;
e) enforce compliance to national policies, laws, regulations, strategies and guidelines on works, transport ways infrastructure and services;
f) inspect and license public transport service vehicles (PSV);
g) monitor and evaluate the performance of statutory bodies of the ministry;
h) provide technical support for contract works, including construction and maintenance undertaken by other Government Ministries, Departments and Agencies;
i) initiate and formulate plans and policies for the management of public buildings;
j) set and monitor national standards on public Buildings; and
k) carry out research and develop local materials for the construction industry.

Uganda National Roads Authority
Uganda National Roads Authority (UNRA) was established by the UNRA Act, 2006. UNRA's **mandate** is to develop and maintain the national roads network totalling 21,000km, manage ferries linking the national roads network and axle load control.

Uganda Railway Corporation (URC)
Uganda Railways Corporation is a corporate body reporting to the Ministry of Works and Transport. Under the 1992 Uganda Railways Corporation Act, the **mandate** of the Corporation is: the construction, operation and maintenance of railway, marine and road services both in and outside Uganda, for the carriage of passengers and goods. The **vision** of URC is a modern, safe and sustainably efficient high capacity passenger and freight railway system for both for Uganda and the region.

On November 1st 2006 URC freight services were passed to Rift Valley Railways (RVR) as a part of a joint concession agreement with Kenya Railways Corporation (KRC). Since the commencement of the concession, the role of URC has been three- fold:

- URC is charged with the holding in trust for Government the Uganda Railways assets. With the concessionaire being awarded the right to operate freight services for 25 years, for which a concession fee is payable;
- Monitoring the concession to ensure that it is in accordance with the terms and conditions of the concession; and
- Providing technical support to Government on all aspects of the railways operations.

The key obligations of URC are:

- Act as the recipient of the concession fee from RVR for the use of URC assets;
- Maintain, to a set standard, all assets in terms of infrastructure and equipment, ceded to the concessionaire.

URC must monitor, through regular inspections and observation, the current condition of all leased assets with the concession agreement providing for bi-annual inspections. However URC can inspect any time if it deems an asset to be in unacceptable condition.

Civil Aviation Authority (CAA)
CAA was established by an Act of Parliament in 1991, CAP 354, with the principal objective of promoting the safe, regular, secure and efficient use and development of civil aviation inside and outside Uganda. The Authority is guided by its vision, mission and core values in pursuing its mandate. Its **vision** is the safest, most efficient and affordable air transport system in Africa and beyond. Its **mission** is to maintain the highest standards of safety, security and service in civil aviation.

The **mandate** of the CAA is to coordinate and oversee Uganda's aviation industry, including licensing; regulation; air search and rescue; air traffic control; ownership of airports and aerodromes; Ugandan and international aviation law; representing Ugandan as an international capacity to the aviation; as well as all other aviation matters.

Uganda Road Fund (URF)
The Uganda Road Fund (URF) was created by the Uganda Road Fund Act 2008. The Fund derives its **mandate** from Section 6 of the Act. Accordingly, it is mandated to assemble funding from collection of RUCs and manage the funds to finance road maintenance programmes. Its principal objective is

the financing both routine and periodic maintenance for public roads and, in so doing, to ensure that public roads are maintained at all times. It also advises on the preparation and, the efficient and effective implementation of the Annual Roads Maintenance programme. The fund is purely for the financing of road maintenance and is not used to execute capital work.

Other Sector Agencies

In Table 2.1 is shown a list identifying the other sub sector agencies that are related to transport. This briefly identifies the agencies mandate and transport sector function.

Table 2.1: Other sub-sector agencies

Agency	Mandate	Transport
Ministry of Local Government (MoLG)	Supervise and monitor performance, provide support, supervision, and carry out mentoring, capacity building, co-ordination and advocacy for all local governments	Establish standards, government policy, laws and regulations and, guidelines for local governments to follow in the implementation of their programmes and monitor their compliance and implementation.
Kampala Capital City Authority (KCCA)	Provision of services in the city that enable residents and businesses operating in the city function in an environment that supports development.	All roads and transport systems within the capital as well as transport planning
Uganda Police Force (UPF)	Responsible for the enforcing road traffic, vehicle and safety laws and regulations.	The traffic and road safety division of the police is responsible for the recording, production and analysis of all traffic accident data.
Transport Licensing Board(TLB)	A statutory body responsible for all matters concerning transport licensing	Issuing of licenses and vehicle inspections
National Road Safety Council (NRSC)	Responsible for planning road safety activities as well as to continuously research available knowledge and experience in all matters concerned with road safety.	Researching all available knowledge and data on all matters concerned with road safety. Depends on data from UPF
Uganda Revenue Authority (URA)	Responsible for tax collection. Responsible for license and other fees, fines, and any other vehicle levels which are scheduled under the Traffic and Road Safety Act 1998.	Collection of customs taxes. Collection of all fees and the maintenance of a central Registry of Motor Vehicles.

2.4 BUDGET AND FINANCING

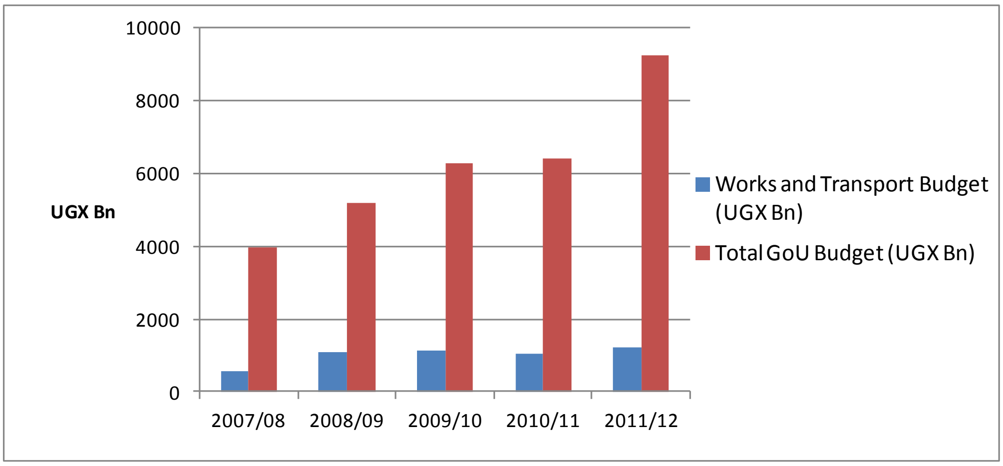
2.4.1 Government Budget

Both the Government of Uganda and the Works and Transport budgets for the last five years are shown in Table 2.2, and Figure 2.1.

Table 2.2 Government of Uganda and Works and Transport Budgets

Item	2007/ 2008	2008/ 2009	2009/ 2010	2010/ 2011	2011/ 12
Works and Transport Budget (UGX Bn)	564	1,084	1,134	1,038	1,228
Total GoU Budget (UGX Bn)	3,964	5,193	6,282	6,407	9,236
Works and Transport as % of Total	14.2%	20.9%	18.1%	16.2%	13.3%

Figure 2.1 Government of Uganda and Works and Transport Budgets



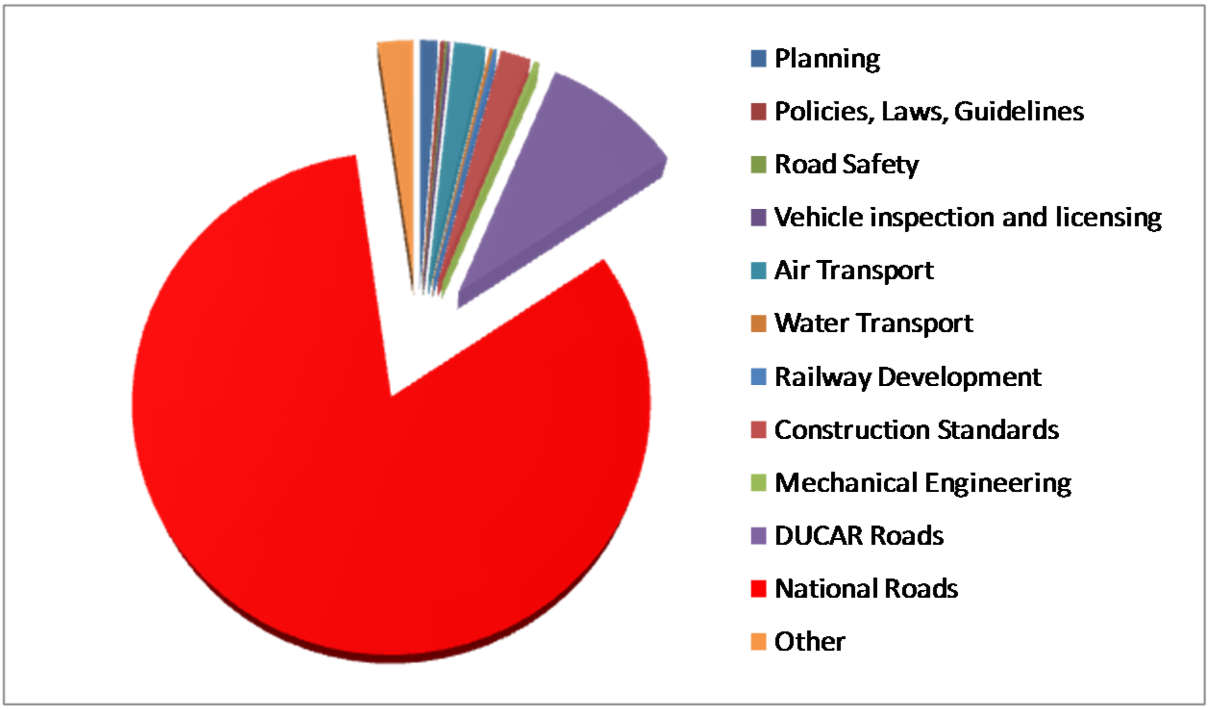
Government expenditure on works and transport grew by 18% in FY 2011/12 compared to FY 2010/11, whilst the overall Government budget grew by just over 50%. In FY 2011/12, Works and Transport expenditure was 12.5% of the Government budget

The contribution of the transport sector1 to GDP, for the period 2006-2012, has averaged around 3.2% and has not shown any significant increase or decrease.

2.4.2 Allocations within the Transport Sector

The total Government budget allocation to the transport sector, under Votes 113, 116, and 118, in 2011/12 was UGX 1,228 bn, or around $US 490 million (at mid FY 2011/12 exchange rates). The allocation of budget to the various sub-sectors is as shown. Over 91% of the allocation was devoted to roads, with 9.1% to DUCAR roads, and 82.1% to National Roads.

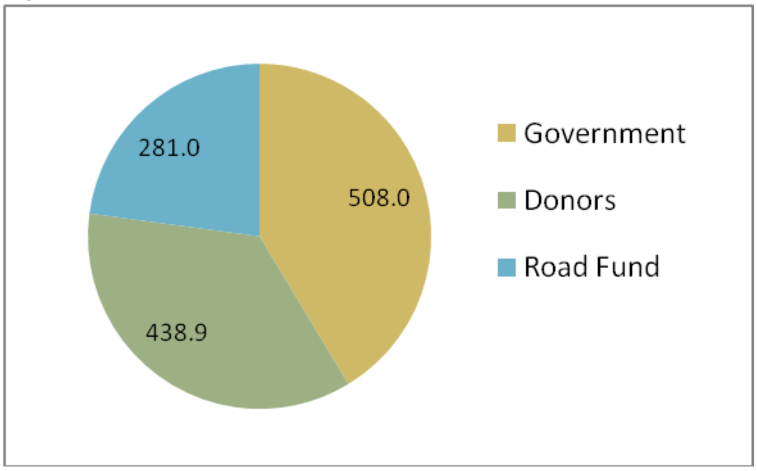
Figure 2.2 Government Allocation to the Transport Sector, FY 2011/12



1 This excludes telecommunications.

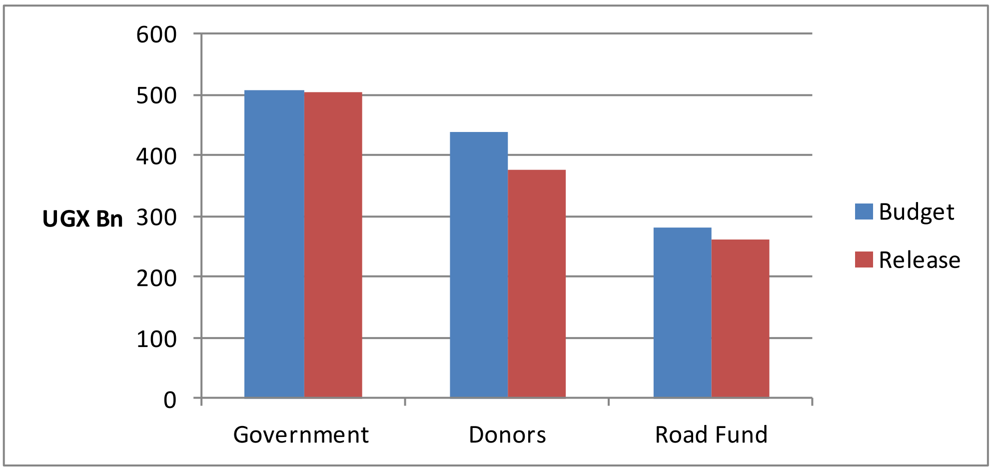
The source of funds, are as shown in figure 2.3. The Government contribution was intended to be 41%, with donors and the Road Fund contributing 36% and 23% respectively.

Figure 2.3 Sources of Funds, FY 2011/12



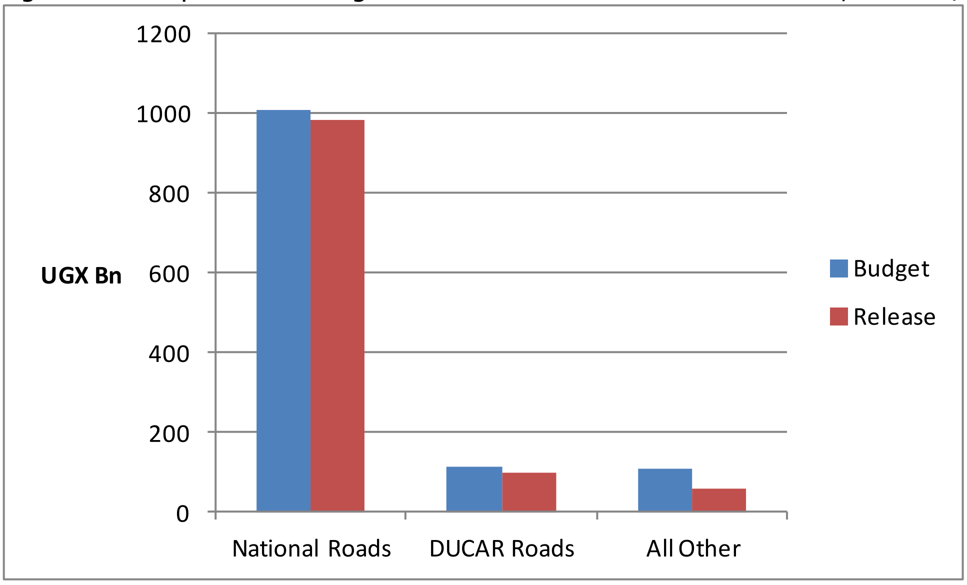
Releases for FY 2011/12 were close to the budget, as shown in Figure 2.4. The Government release was almost exactly on budget, whilst the donor contribution was just over UGX 60 Billion less than budget. The latter shortfall was due to projects not being adequately prepared or ready due to procurement delays, which was also compounded by donor procedures in fund release. Road Fund release was UGX 20 Billion short of the budget.

Figure 2.4 Releases to the Works and Transport Sector, FY 2011/12



The impact of the shortfall was felt most heavily by sub-sectors other than roads. Releases for both National and DUCAR Roads were close to the budget as shown in Figure 2.5.

Figure 2.5 Comparison of Budget and Release for the Roads Sub-sector, FY 2011/12



2.5 STATUS OF THE ACTION MATRIX

The Joint Transport Sector Review of FY 201/11 agreed a series of actions to be undertaken during the FY 2011/12. These, and the status of implementation, are set out in Annex 2

PART B – TRANSPORT SUB SECTORS

3. NATIONAL ROADS

3.1 INTRODUCTION

This report describes UNRA's performance in the FY 2011/12. The Report is based on the targets set in the Ministerial Budget Policy Statement (MBPS) for the FY 2011/12. The Golden Indicators used to measure performance cover (i) road condition, (ii) paved roads network, (iii) road construction/ maintenance costs and (iv) compliance with axle load regulations.

3.1.1 Uganda National Roads Authority

The Uganda National Roads Authority became fully operational on 1st July 2008. UNRA's mandate is to develop and maintain the national roads network totalling 21,000km, manage ferries linking the national roads network and axle load control.

UNRA's Vision is to operate a safe, efficient and well developed national roads network. Its Mission is to develop and maintain a national roads network that is responsive to the economic development needs of Uganda, to the safety of all road users and to the environmental sustainability of the national roads corridors.

3.1.2 The National Road Network

The national roads network is 21,000 km. The paved network is 3,317 km (15.8%) and unpaved network is 17,683 km (84.2%). There are over 250 bridges and hundreds of other drainage structures and culverts.

UNRA operates seven ferries which link the national roads network at strategic locations. Two additional ferries (Mbulamuti ferry and Lwampanga/ Namasale ferry) will be commissioned by the end of December 2012.

3.2 GOLDEN INDICATORS

3.2.1 Golden Indicator 1: Condition of the Roads Network

Road condition refers to the structure, roughness and unevenness of the road. The condition of the roads is a Key Performance Indicator for the roads system. Golden Indicator 1 is:

"% of the roads network in fair to good condition"

The measurement of the road condition is by the International Roughness Index (IRI). Roughness is a good indicator of the condition of the road because it affects the riding quality, speed and cost of vehicle operation and maintenance. Data was collected using automated data collection vans equipped with bump-integrators and video cameras, and visual surveys. A road management system was established and it is now operational.

By June 2012, the overall condition of the national roads network in good to fair condition was 68.3% (or 14,343 km out of the 21,000km). The condition of the paved road network in fair to good condition was 77.6% and unpaved network was 66.6%. There was improvement in the condition of the paved network in fair to good condition from 74% in the FY 2010/11 to 77.6% in the FY 2011/12. This was largely because some of the rehabilitation projects completed/ ongoing.

The condition of the unpaved roads shows improvement from that of the FY 2010/11 from 64% to 66.6%. The baseline data collection on the additional 10,000km taken over from the districts was completed and the condition of those roads is now known.

Table 3.1 shows the condition of the road network based on the International Roughness Index for the past three financial years.

Table 3.1: Condition of the National Roads Network (June 2012)

Year	Paved Roads Condition (km)				Paved Roads Condition (%)		
	Good	**Fair**	**Poor**	**Total**	**Good**	**Fair**	**Poor**
2009/10	1,230	1,180	709	3119	39	38	23
2010/11	1,742	680	843	3264	53	21	26
2011/12	1717	856	744	3317	51.8	25.8	22.4
	Unpaved Roads Condition (km)				**Unpaved Roads Condition (%)**		
	Good	**Fair**	**Poor**	**Total**	**Good**	**Fair**	**Poor**
2009/10	1,535km	2,340km	3,436km	7,311km	21%	32%	47%
2010/11	3,719km	7,215	6186km	17,120km	22%	42%	36%
	3,926km	7,853km	5,904km	17,683km	22.2%	44.4%	33.4%

3.2.2 Golden Indicator No. 2 Paved Roads Stock

The stock of paved roads refers to bitumen or asphalt/concrete surface layer > 20mm. The stock is measured by computing the number of completed kilometres of gravel roads upgraded to bitumen standard or new roads constructed to bitumen standard.

The stock of national paved roads was 3,264.1km by the end of the FY 2010/11. In the FY 2011/12, there was an increase of 53 km bringing the cumulative stock of paved roads to 3,317.1km. The sections tarmacked in the FY 2011/12 were Kabale – Kisoro road (13km) and Fort Portal – Bundibugyo road (40km).

The proportion of paved roads remains small. Out of the total national roads network of about 21,000km, only 15.8% (3,317.1km) is paved. The National Development Plan (NDP 2010) envisaged an increase of paved roads by 1,100 km over the 5 years ending FY 2015/16. However, the trend in performance over the past 2 years shows that this NDP target cannot be achieved unless there is substantial increase in investment over the next 3 years. The current ongoing upgrading projects and those due to commence with secured funds total to 850km which is below the NDP target of 1,100km. The trends in the increase in the stock of bitumen surfaced roads is in the last 5 years is shown in Table 3.2.

Table 3.2: Stock of national paved roads

Financial Year	Paved roads	
	Annual increase (km)	**Stock (km)**
2007/08		2,875.6
2008/09	159	3,034.6
2009/10	165.4	3,200
2010/11	64.1	3,264.1
2011/12	53	3,317.1

3.2.3 Golden Indicator No. 5 Road Construction/ Maintenance Cost

Road construction and maintenance costs refer to the amount of money paid per kilometre constructed or maintained. For purposes of this report, road construction activities comprises (i) upgrading gravel roads to bitumen standard (tarmac), (ii) rehabilitation and (iii) reconstruction. Road maintenance activities on the other hand comprise routine (recurrent) and periodic maintenance.

- Reconstruction : removal or re-use of base layers, new vertical alignment and earthworks, and compaction. New surface bitumen layer
- Rehabilitation : removal or re-use of base layers and re-compaction. New surface bitumen layer
- Periodic Maintenance : maintenance of the asset of the paved network through re-seals or overlays to prolong the life of roads and delay the need for rehabilitation. No major improvements to base layers
- Mechanised Routine Maintenance: pothole filling and edge repairs, use of mechanised compaction

Unpaved Roads

- Periodic Maintenance : re-grading, re-gravelling, typically every 2-3 years
- Mechanised routine maintenance: spot re-gravelling and grading.

The unit cost of each intervention was computed by adding the contract sums of all ongoing road projects with similar intervention (e.g. reconstruction, rehabilitation etc) in similar terrain (rolling or mountainous terrain) divided by the total number of kilometres of those projects (unit cost x intervention = total of contract sums of all ongoing projects in similar terrain divided by the total kilometres of those projects)

In the last 2 financial years, the trend of road construction/ maintenance costs has been mixed. For some interventions like upgrading gravel to bitumen standard, the unit coast has been decreasing as shown in Table 3.3. While for reconstruction, the unit cost has increased as shown in Table 3.3. This is because increased competition for upgrading projects particularly from Chinese companies is driving down the unit costs. For reconstruction projects, the unit cost increased because of expensive pavement design particularly on the Northern Corridor coupled with restrictions of companies outside ACP to bid for EU funded projects.

Table 3.3: Road Construction/Maintenance Cost per Kilometer (USD)

	FY 2010/11	FY 2011/12
Paved Roads (USD/KM)		
National roads - upgrading from gravel to tarmac	800,000 - 1,100,0000	653,440 - 949,251
National Roads – reconstruction	520,000 - 725,000	895,966 - 984,329
National roads – rehabilitation	290,000 - 600,000	175,857 - 616,274
National roads - periodic maintenance	105,000 - 290,000	105,000 - 300,000
National roads -mechanised routine maintenace	1,000 - 3,000	8,393 - 17,546
Unpaved roads (USD/KM)		
National roads - periodic maintenance	15,500	13,351 - 15,000
National roads - mechanized routine maintenance	1,500 4,300	3,535 - 5453

Source: UNRA records

3.2.4 Golden Indicator No. 7 Road Maintenance Needs Met

This indicator measures the maintenance budget relative to road maintenance requirements/ needs. The indicator is

"% of annual road maintenance needs funded"

For the FY 2011/12, the percentage of national roads maintenance requirement funded was about 34%. The national roads maintenance requirements were about UGX 550 billion but only UGX 167.8 bn was provided.

Golden Indicator 7.b reports expenditure on national road maintenance relative to budget

The expenditure relative to budget over the past five years is as shown in Table 3.4. The table shows that since the FY 2010/11, the budget for national roads maintenance remained the same and the releases were reducing. This was against the backdrop of rising inflation which peaked at 30% in the FY 2011/12 coupled with increased cost of construction materials including oil and steel products. The net effect was reduced outputs in terms of kilometres of roads maintained and increasing the road maintenance backlog.

Table 3.4 National Roads Maintenance Expenditure and Budget in the last 5 years

Year	National Roads		
	Budget (UGX BN)	Expenditure(UGX BN)	%
2007/08	158.587	113.303	71
2008/09	135.845	111.652	82
2009/10	135.390	110.000	81
2010/11	177,735	177,735	100
2011/12	181.87	167.866	92
2012/13	181.87		

3.2.5 Golden Indicator No.8 Compliance with Axle Load Regulations

This indicator is intended to measure progress in compliance with axle load limits on the national roads network. The indicators are:

- % of vehicles with overloaded axles
- Number of vehicles weighed
- Number of overloaded vehicles

"% of vehicles with overloaded axles "

The target for the FY 2011/12 was to reduce the percentage of overloaded vehicles to 40%. The achievement was 55%. The target was not achieved because of the law which is too lenient on offenders. Transporters can afford to pay the fines and still profit from overloading. Efforts were being made at regional level to harmonize the axle load control within EAC to avoid the current situation where vehicles which are within axle load limits in Kenya when they reach Uganda go beyond the axle load limit.

"Number of vehicles weighed"

The total number of vehicles weighed was 161,184 out of the targeted 200,000 vehicles. The target was not achieved because of a number of strikes by transporters which led to temporary suspensions. In addition, some of the transporters bypass the weighbridges. Performance of axle load control over the past 4 years is shown in Table 3.5. The table shows that in the FY 2009/10, there was no performance because weighbridge operations was suspended by the then Minister of Works and Transport.

Table 3.5 Axle load control

Financial Year	Total No. vehicles weighed	% of vehicles overloaded.	Amount paid in fines UGX million
FY 2008/09	102,394	54	430.992
FY 2009/10*	-	-	-
FY 2010/11	169,477	54	473.150
FY 2011/12	161,184	55	886.415

*There was no performance in FY 2009/10 because weighbridge operations were suspended.

3.3 GENERAL PERFORMANCE OF THE SUB-SECTOR

3.3.1 Financial Performance

The overall Financial Performance for the FY 2011/12 was 100%. The performance of the GOU budget was 121% and for the Development Partners was 86%. The low performance on the Development Partners' budget was because some of the planned projects like Mbarara – Katuna, Gulu – Atiak and Vurra – Arua – Oraba roads did not commence as planned. Table 3.6 below summarises the Financial Performance for UNRA for the last 3 FYs

Table 3.6: UNRA Performance since 2008/09 to FY 2011/12 (UGX Billion)

		Outturn			FY 2011/12		Budget for FY 2012/13
		2008/09	2009/10	2010/11	Approved Budget	Expenditure	
Recurrent	Wage	13.367	18.808	17.397	23.500	17.700	23.500
	Non Wage	111.652	70.446	9.122	3.676	12.605	3.124
	Road Fund	0	66.54	177.993	181.700	167.000	181.7
Development	GOU	335.23	396.521	255.999	360.324	441.299	658.648
	Dev. Partner	245.451	191.8	236.243	438.910	376.277	517.921
GOU Total		460.249	552.315	460.551	569.2	638.604	866.972
Donor + GOU Total		**705.7**	**744.115**	**696.754**	**1008.11**	**1014.881**	**1,384.893**

3.3.2 Performance of National Roads Projects : Upgrading Gravel Roads to Bitumen Standard

Kampala - Gayaza - Zirobwe Road (44km)

This project was financed by Government of Uganda and a loan from the World Bank. The project involved reconstruction and widening of Kampala – Gayaza section of the road and upgrading to bitumen standard the Gayaza – Zirobwe section. A dual carriageway was built between Kavule round about and the Kampala Northern Bypass. The works commenced in March 2008 and by the end of July 2011, all major works had been completed. The road is now in use.

Kabale – Kisoro Road completed in August 2012

Kabale - Kisoro - Bunagana/Kyanika Road (101 km)

This project is funded by Government of Uganda and a loan from AfDB. Works for upgrading the road from gravel to tarmac commenced in March 2007 and were completed in August 2012. The achievement for the FY 2011/12 was 11% out of the targeted 11%. This brought the cumulative achievement since the project start to 90%. The project was substantially completed at the end of August 2012.

Fort Portal – Bundibugyo – Lamia Road (104km)


Fort Portal – Bundibugyo road – works ongoing

This project is funded by Government of Uganda and a loan from AfDB. The works involve upgrading the existing gravel road to bitumen standard. Civil works commenced in January 2010 and are expected to be completed by January 2013. The achievement for the FY 2011/12 was 36% of the works completed against the target of 30%. This brought the cumulative achievement since the project start to 62% based on the revised programme. This project was on schedule based on the May 2010 programme of works but behind schedule based on the revised programme due to increased quantities. The road will foster agricultural production, promote tourism and facilitate trade between Uganda and DR Congo.

Nyakahita – Kazo – Kamwenge – Fort Portal Road (209km)


Nyakahita – Kazo – Kamwenge road ground breaking

This project is being implemented in two Phases. Phase 1 covers Nyakahita – Kazo – Kamwenge (143km) and Phase 2 Kamwenge – Fort Portal (66km). The project involves upgrading the existing gravel road to bitumen standard. Phase 1 is being funded by Government of Uganda and a loan from AfDB. Phase 1 is being implemented under two contracts; Nyakahita – Kazo and Kazo – Kamwenge. The contracts were signed in December 2010 and are expected to be completed by March 2014. The achievement for the FY 2011/12 for Nyakahita - Kazo was 58% out of the planned target of 15% and Kazo - Kamwenge was 23% of the works out of the planned target of 15%.

Phase 2 of the project covers Kamwenge – Fort Portal (66km). This project will be funded by the World Bank under the Transport Sector Development Project. Short-listing of the Supervising Consultants and Pre-qualification of contractors has been concluded. Bids were invited and evaluation commenced in June 2012. Works are expected to commence before the end of December 2012.

Mbarara – Kikagati – Murongo Bridge

This is a design and build project funded by the Government of Uganda. The contractor commenced in July 2011 and works are expected to be completed by July 2014. The achievement for the FY 2011/12 was 15% out of the targeted 15%. By the end of June 2012, the project was on scheduled and expected to be completed within the contract period.

Upgrade Gulu- Atiak- Bibia/Nimule (104km)

This road is part of the Kampala – Gulu – Nimule (border with South Sudan) highway. The works will involve upgrading the current gravel road to tarmac. The detailed engineering design was completed in October 2010. The implementation is divided in two projects two projects.

Gulu – Atiak (74km)

The Minister for Works and Transport introducing the ED UNRA to HE The President at the ground-breaking ceremony for the Gulu-Atiak Road

This section will be financed by Government of Uganda and a loan from the World Bank. The ground breaking ceremony graced by H.E The President of Uganda was held in May 2012. By June 2012 the contractor had completed 2% of the works out of the planned 10%. 50.82 hectares of land were acquired and 80% of the project affected persons had been compensated.

The target was not achieved because the award of the contract was delayed in order to comply with World Bank regulations.

Atiak–Nimule Road (34km)

This section of the road will be funded by a loan from the Government of Japan (JICA) and by the Government of Uganda. Prequalification of contractors was completed. Bids were submitted and evaluation is ongoing. The contractor was expected to commence works by December 2012.

Vurra – Arua - Oraba (92km)

HE The President at ground breaking ceremony for Vurra - Arua-Oraba Road

The road is part of the Kampala – Karuma – Arua – Oraba (border with Southern Sudan) highway. It is to be funded by a loan from the World Bank and Government of Uganda. The works will involve upgrading the current gravel road to bitumen standard. The detailed engineering design was completed in October 2010, and procurement of the civil works contractor was completed in July 2011. The works commenced in January 2012 and are scheduled to be completed by July 2014. By June 2012, 5% of the works had been completed out of the planned 10%. The target was not achieved because the contractor took a little longer than he planned to mobilise the equipment and personnel.

Hoima- Kaiso- Tonya (93km)

The road traverses the oil rich Albertine region. It is intended to facilitate the transportation of exploration and refinery equipment and the movement of oil to the market. The road is funded by the Government of Uganda. The works will involve upgrading the existing 93 km of gravel road to bitumen standard

HE Vice President , Prime Minister of Turkey & King of Bunyoro at Ground breaking ceremony for Hoima - Kaiso - Tonya road

The contractor commenced work in December 2011 and works are expected to be completed by December 2014. Mobilization in terms of equipment and personnel was completed. The ground breaking function was held in July 2012 graced by H.E The Vice President and the Prime Minister of Turkey. Compensation of project affected persons is proceeding and by June 2012, 15 out of the 18 hectares of land needed, had been acquired.

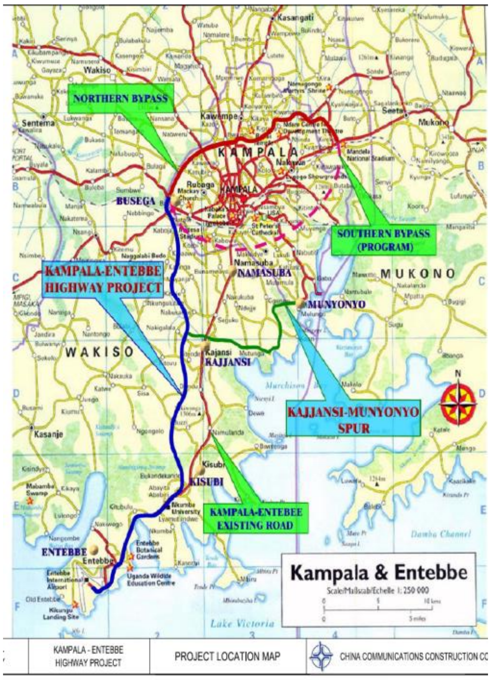
Upgrade of Ishaka- Kagamba (35km)

This road is part of the Ishaka – Kagamba – Ntungamo – Mirama Hills road. It provides a convenient route for trucks carrying cement from Hima to Rwanda and Burundi. Construction is being funded by the Government of Uganda. The contractor has been procured and works commenced in July 2012. Procurement of the consultant for compensation was completed. Compensation payment for land and property has commenced. By the end of June, 10 hectares of land had been acquired.

Kampala – Entebbe Expressway (51km)

This road will be four-lane grade-separated highway linking Kampala City to Entebbe International Airport. The road starts at Busega through Kajansi and joins the old Entebbe road near Abaita Ababiri running on to Entebbe Airport. It has a spur from Kanjansi to Munyonyo (see map 3.1). The project is being funded by Government of Uganda and a loan from China EXIM Bank, and is a design and build project. Preliminary design completed and detailed design has commenced. An Addendum to the commercial contract was signed and the contractor commenced mobilization. Road works are expected to commence by October 2012.

Map 3.1: Kampala – Entebbe Express Highway



Moroto – Nakapipirit (90km)
The procurement of the contractor is completed and the contract was signed in August 2012. The contractor is now mobilising equipment and personnel.

Atiak- Moyo- Afoji (104km)
22% of the works were completed. 3 box culverts (Amua, Eyi-Ingewa and Surumu) were substantially completed. The other bridges/ box culverts worked on were; Ayugi, Irei, Upper Cala, Lower Cala and Ebikwa.

Overall, the achievement for upgrading gravel roads to bitumen standard in the FY 2011/12 in terms of km-equivalent exceeded target. A total of 121 km-equivalent was achieved out of the targeted 112km. Km-equivalent refers to the value of road works done expressed in terms of kilometres.

3.3.3 Performance of National Road Reconstruction/ Rehabilitation Projects

Masaka - Mbarara Road (154km)
This road is part of the Northern Corridor Route from Bujumbura to Mombasa.

It is being funded by a grant from European Union (EU) and Government of Uganda. The reconstruction works commenced in January 2008. The achievement for the FY 2011/12 was 31% of the works completed out of the planned target of 20%. By the end of June 2012, 99.5% of the works had been completed. The project was substantially completed in August 2012.

HE the President of Uganda and EU Commissioner for Development at opening the completed sections of Masaka - Mbarara road

Busega – Masaka Road (114km)

This road is also part of the Northern Corridor Route. The reconstruction works are being funded by the Government of Uganda. The project which is 114 km is being implemented in two Phases. Phase 1 (63km) commenced in January 2009 and was completed in June 2012. The achievement for the FY 2011/12 was 25% of the works completed out of the planned target of 25%.

Phase 2 works (51km) commenced in January 2012 and will be completed in July 2014. By June 2012, the contractor had completed mobilisation and road works had commenced.

Busega- Mityana Road (57km)

This road is part of the Kampala – Fort Portal Highway. It is funded by Government of Uganda. The works involve widening and reconstruction. The project is being implemented under two contracts; Busega – Muduuma and Muduuma – Mityana.

Busega – Muduuma section: The contractor commenced work in July 2009 and completed the project in July 2012. The target for the FY 2011/12 was 20% which was achieved.

Muduuma – Mityana: The contractor commenced in June 2009 and completed it in June 2012. The target for the FY 2011/12 was 20% which was achieved.

Kawempe –Luwero – Kafu Road (166km)

Kawempe – Kafu : Overlay works ongoing

This road is part of the Kampala – Gulu Highway. The project had two phases. The first phase involved the rehabilitation of the entire stretch. It was funded by a loan from the World Bank and Government of Uganda. Works were completed in 2009. The second Phase involves asphalt overlay to strengthen the road, and is being funded by Government of Uganda. The contract commenced in November 2010 and it is expected to be completed by June 2013. The achievement for the FY 2011/12 was 55% out of the planned target of 30%, and 55 km were completed.

Tororo – Mbale – Soroti (152km)

This project is funded by Government of Uganda. It involves the stage of reconstruction/ rehabilitation of the existing paved road. The project is being implemented under two contracts; Tororo – Mbale (49km) and Mbale – Soroti (103km). The contracts commenced in November 2010 and works were expected to be completed by May 2012. The percentage achievement by June 2012 the performance was as follows:


Tororo – Mbale Road Rehabilitation works

Tororo - Mbale road - 15% of the works were completed out of the targeted 30%.

Mbale - Soroti road rehabilitation - 8% of the works were completed out of the target of 30%.

The works are behind schedule because of a combination of factors. During procurement, there was administrative review which delayed the start of the project. This caused further deterioration of the road which necessitated changes in design because of increased scope. The design review then took time to be finalised. Both contractors under performed.

Mbarara – Ntungamo – Katuna (124km)

HE the President of Uganda, HE the President of Rwanda and EU Commissioner for Development at ground breaking for Mbarara – Katuna Road

The project involves the reconstruction of 164km of the Northern Corridor route between Mbarara and Katuna (Rwandan Border) and includes the Mbarara Bypass (14km). The EU will finance works on 124km and the Government of Uganda will fund 40km including the Bypass. The contracts for the EU funded sections commenced in August 2011 and will be completed by August 2014.

The performance for the FY 2011/12 was as follows: Mbarara - Ntungamo section: 15% was completed out of the target of 20%. Ntungamo - Katuna section: 5% was achieved out of the targeted 20%.
Funds for the Mbarara Bypass (14km) and 26 km along Mbarara – Kabale road (Lot 3) were secured through a loan from the European Investment Bank (EIB). EIB approved the loans, and Parliamentary approval is being sought. Works are expected to commence by January 2013.

Malaba/Busia – Bugiri (82km)

This project is funded by Government of Uganda. This road is part of the Northern Corridor Route. The design and build contract for the overlay commenced in February 2011 and it is expected to be completed by February 2013. By June 2012, 20% of the works were completed out of the planned 20%. In terms of kilometres, 15km had been completed out of the 82km.

Malaba – Bugiri overlay using pavement recycling technology

Mukono - Jinja road rehabilitation
This road is programmed for rehabilitation. Procurement of the contractor was completed and the contract signed in May 2011. The contractor completed mobilization of equipment and personnel and works commenced in July 2012.

Overall, the achievement for reconstruction/ rehabilitation in terms of km-equivalent exceeded target in the FY 2011/12. A total of 184 km- equivalent was achieved out of the targeted 100 km. This was because of these were running contracts and some of the contractors over performed.

3.3.4 Performance on Feasibility and Design Studies

Revised Draft Design reports for the following roads were finalised:

Muyembe – Nakapiripriti and Moroto - Kotido (200km); Kyenjojo - Hoima - Masindi - Kigumba (238km); Musita- Lumino - Busia/Majanji (104km), Rwenkunye - Apac - Lira-Kitgum - Musingo (230km); Soroti - Katakwi - Moroto - Lokitanyala (215km) and Kamuli -Bukungu (64km).

Feasibility studies and preliminary designs for dualing Kampala - Jinja (80km) and Kibuye - Mpigi (30km) were finalised. Detailed design commenced.

Design for reconstruction of Tororo- Soroti road: Procurement of the design consultant was commenced. By June 2012, evaluation of the technical proposals was completed. The contract is expected to be signed by November 2012 and services will commence by January 2012.

Design for reconstruction of Lira- Kamudini- Gulu road: Procurement of the design consultant is ongoing. By June 2012, evaluation of the technical proposals was completed. The contract was expected to be signed by October 2012 and services will commence by January 2012.

Design for upgrading Kayunga- Galiraya (83km): The contract for design services was signed and services are set to commence in October 2012.

Design for upgrading Hoima- Butiaba -Wanseko (111km): The feasibility study was completed and detailed engineering design commenced. The design is expected to be completed by December 2012.

3.3.5 Performance of National Road Maintenance

Summary of Achievements

Table 3.7: Summary of Road Maintenance Achievement for the FY 2011/12

	Achieved		Targets	
Intervention	**FY 2010/11**	**FY 2011/12**	**FY 2011/12**	**FY 2012/13**
Routine Maintenance				
Paved Roads (Km) - Mechanized Maintenance	1,810	1,890	2,107	1,611
Un paved Roads (Km) - Mechanized Maintenance	10,669	7500	11,396	11,370
Bridges (Number)	49	6		
Periodic Maintenance				
Paved Roads (Km) – Reseal	127	6	28	50
Un paved Roads (Km) – Regravelling	1,504	197	556	855
Road Safety				
Marking of Roads (Km)	37		200	200

Performance of National Roads Periodic Maintenance Projects

Jinja – Kamuli (58km)


Jinja – Kamuli Laying Asphalt Concrete from Jinja side

This project is funded by the Government of Uganda. It involves rehabilitation of an existing paved road.

Works commenced in December 2010 and works are expected to be completed in February 2013. By June 2012, 17% of the works had been completed. The project is behind schedule because of design changes and under performance of the contractor.

3.3.6 Performance of the Bridges Programme

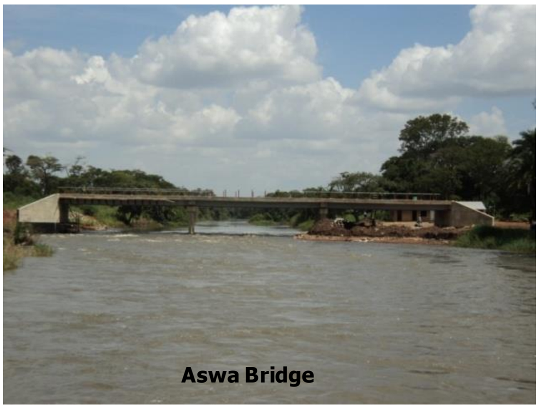
The target for the FY 2011/12 was to complete construction of 5 new bridges and rehabilitate 5 old bridges. The performance was 4 new bridges were completed and 6 bridges were rehabilitated. The progress for each bridge is described below.

Construction of New Aswa Bridge along Gulu - Kitgum Road

This project was funded by the European Union. Construction of the new 60m long bridge across the Aswa river along Gulu – Kitgum commenced in June 2010 and works were substantially completed in July 2011.

Construction of New Muzizi Bridge on Kyenjojo – Hoima Road

This bridge connects Kyenjojo district to Kibaale district across River Muzizi. Construction of the new bridge commenced in September 2010 and was completed in June 2012. The completion was delayed because of heavy rains which caused flooding of the river.



Aswa Bridge

Muzizi Bridge

New Kaichumu and Nyungu Bridges in Kiruhura District

Kaichumu Bridge Completed

Construction of Kaichumu and Nyungu Bridges in Kiruhura district commenced in September 2010 and works were completed in March 2012.

Construction of New Awoja Bridge along Mbale – Soroti Road

The EU is financing the construction of the new bridge at Awoja. The works commenced in January 2011 and by June 2012, 40% completed. The bridge is expected to be completed by December 2012.

Foundation Works at Awoja

Construction of New Bulyamusenyu Bridge

This GOU funded project will deliver a new 40m long two-span two-lane bridge across the River Kafu connecting the districts of Nakaseke and Masindi. Works commenced in December 2010, and by June 2012, 75% of the works had been completed.

Canoes are currently used to cross the river

Bridge under construction

Construction of the Second Nile Bridge at Jinja

Japanese Prince laying foundation stone for the New Bridge at Jinja

This project is funded by a loan from the Japanese Government. The feasibility study was completed in 2009. Detailed design was completed in February 2012. Prequalification of the contractors is now completed. The foundation stone for the new Bridge was laid in May 2012 by the Japanese Crown Prince. Bidding documents were submitted to JICA for approval in July 2012. Works are expected to commence by June 2013.

Rehabilitation of Nalubale Bridge at Jinja

Rehabilitation of the Nalubaale bridge commenced in April 2011 and works are expected to be completed after 12 months. Works will include repairs to the undermined pier sections; repairs to the deck elements, drainage, overlay and all surface defects on the structure. By June 2012, 25% of the works had been completed. The works are generally behind schedule and the contractor has been asked to accelerate the works to avoid being charged liquidated damages.

Other Bridge Rehabilitation Projects

The rehabilitation of Pakwach bridge on the Karuma – Arua road, Karuma Bridge and Kafu Bridge on Kampala – Gulu highway and Ngaromwenda on the Mbarara – Kabale road were completed. Rehabilitation works were at varying stages of completion for Kazinga Channel Bridge on Katunguru – Ishaka road (80%), Mpanga Bridge on Kyenjojo – Fort Portal road (80%), Kaizi Bridge (75%) and Rwempunu Bridge (40%). The works are expected to be completed by December 2012.

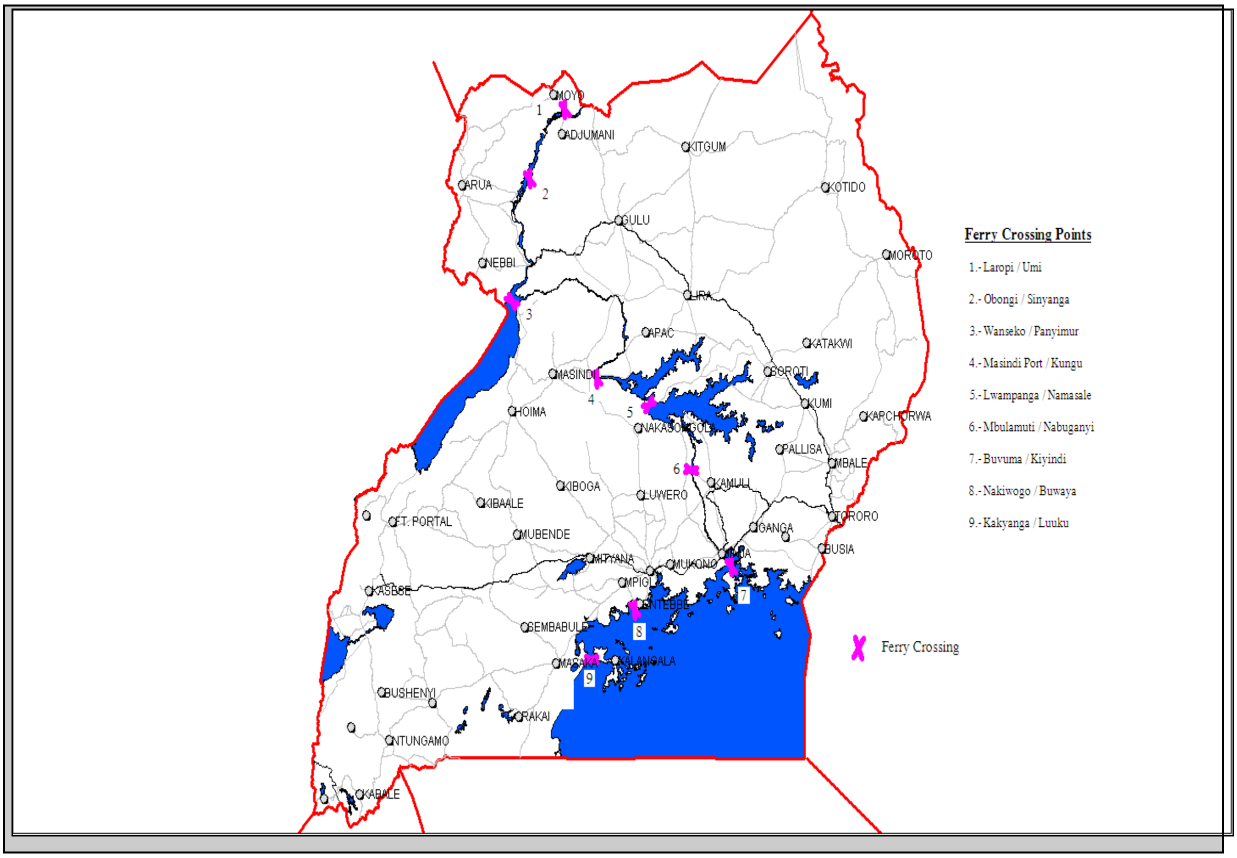
3.3.7 Ferry Services

UNRA operates seven ferries on Lake Victoria and Albert and across River Nile which link the national roads network. The locations of the ferry crossings are as shown in Table 3.8 below.

Table 3.8: Ferry Crossings that link National Roads

Sn	Name of Ferry	Location
1	Laropi / Umi	Moyo, Albert Nile
2	Masindi Port/Kungu	Masindi, R.Nile
3	Wanseko/Panyimur	Lake Albert
4	Buvuma/Kiyindi	Lake Victoria,
5	Nakiwogo/Buwaya	Lake Victoria, Linking Entebbe to Mpigi
6	Bukakata/Luuku	Lake Victoria, Linking Masaka to Kalangala
7	Obongi - Sinyanya	Adjuman – Moyo across the Nile

Map 2: Location of Ferry Crossings



The target for FY 2011/12 was to commission Mbulamuti Ferry, Obong-Sinyanya and Lwampanga-Namasale. The progress for each of these ferries is described below.

Mbulamui - Kayunga Ferry: This ferry will connect Kamuli district at Mbulamuti to Kayunga district across the River Nile. The commissioning of this ferry has delayed because the original route (Mbulamuti – Nabuganyi) had rocks which would have adversely affected the ferry operation. In May 2012, HE the President directed UNRA to develop an alternative route (Kasana - Bugobero). By the end of June 2012, the construction of access roads and ferry landings at Kasana and Bugobero had commenced.

Obongi - Sinyanya Ferry commenced operations

Obongi – Sinyanya Ferry: This ferry connects Moyo district at Obongi to Adjuman district at Sinyanya across River Nile. The ferry commenced operations in May 2012.

Namasale Ferry being assembled on site

Namasale Ferry: This ferry will operate across Lake Kyoga, between Lwampanga/Zengebe (Nakasongola District) and Namasale (Amolatar District), and has been procured. Assembling of the ferry is ongoing at Namasale and will be completed by the end of September 2012. Operations are expected to commence in October 2012.

Hon. Minister of Works and Transport commissioning new Bukakata – Luuku ferry

Bukakata Ferry : Government is in partnership with Kalangala Infrastructure Service Project (KIS) to provide a new and bigger capacity ferry to operate between Bukakata and Kalangala Islands. The ferry was commissioned in August 2012 by the Hon. Minister of Works and Transport.

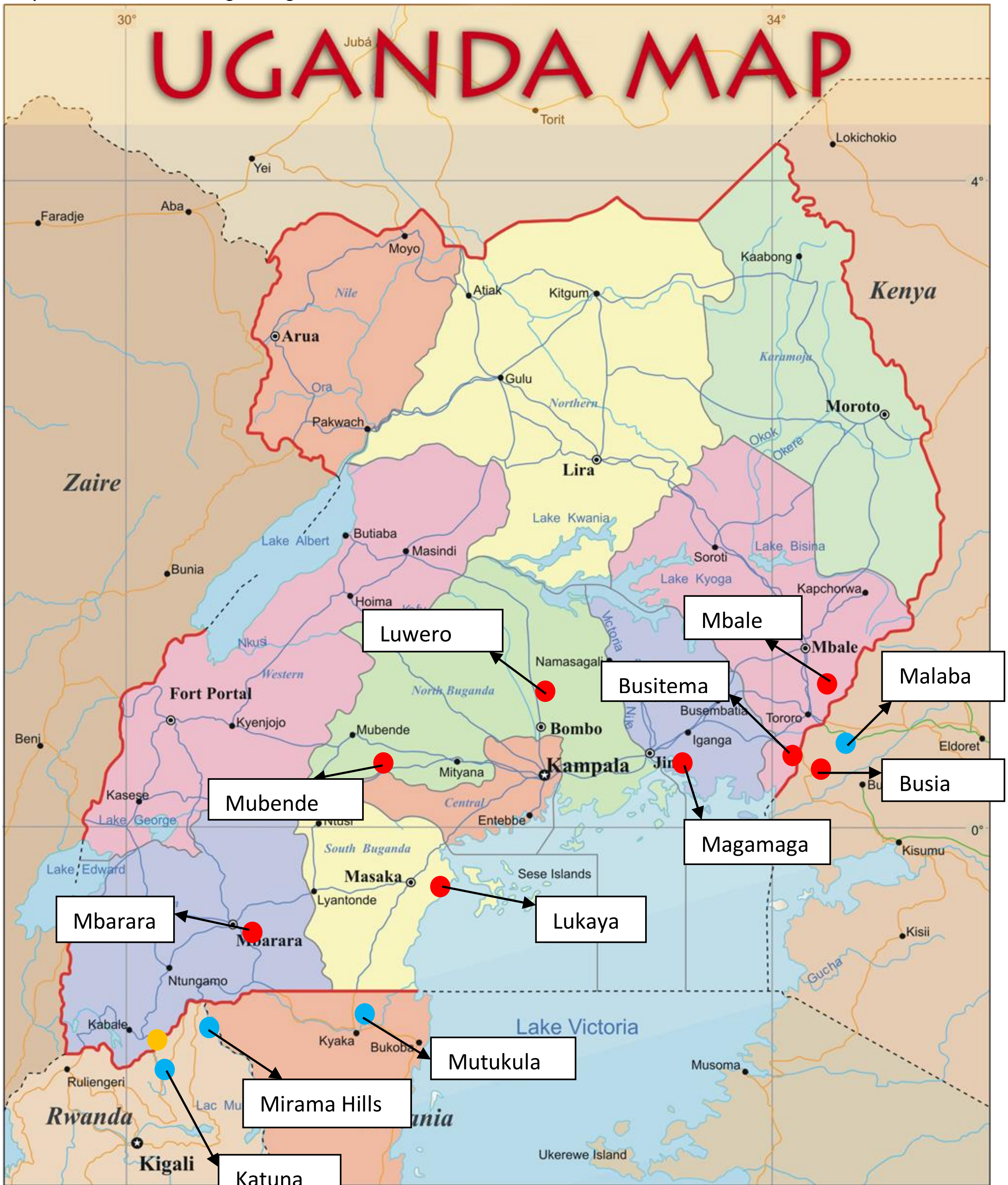
3.3.8 Axle Load Control

UNRA operates seven weighbridge stations at Busia, Busitema, Lukaya, Mbarara, Mubende, Mbale and Luwero. A station, Magamaga (along the Jinja – Iganga road) was completed and awaits gazetting by the Minister of Works and Transport. Out of the 8 weighbridges, 4 are fixed; Luwero, Magamaga, Mbarara and Busia. The map on the next page shows the weighbridge locations.

During the FY 2011/12, the achievements under axle load control were as follows:

- Two weigh-in-motion weighbridges were fixed at Busitema and Busia weighbridge stations to replace the old portable weighbridge.
- The construction works at Magamaga weighbridge were completed.
- Procurement of weighbridges for four Border Posts commenced.
- A total of 161,184 vehicles were weighed. Out of these, 55% were found overloaded above the legal limits. Those found overloaded were fined a total of UGX 886.415 million.

Map 3: Location of Weighbridges



Existing Weighbridge Locations   Proposed One-Stop border post Weighbridge Stations

3.4 PLANS FOR THE MEDIUM TERM

Construction of the following roads to commence in FY 2012/13 and medium term

- Ntungamo – Mirama Hills (37km)
- Masaka – Bukakata (36km)
- Kigumba – Masindi – Hoima – Kabwoya (130km)
- Moroto – Nakapiripirit (90km)
- Kampala – Entebbe Express Way (51km)
- Mbarara Bypass (40km)
- Kampala Northern Bypass (dualing) 18.5km)
- Atiak-Nimule (35km)
- Kamwnge – Fort Port Port Portal (66km)

Involve private sector finance for the construction of dual carriageways on:

- Kampala - Jinja (80km), and
- Kibuye - Mpigi (30km).
- Kampala – Matugga (15km)

Bridges Programme

- Construct the second Nile Bridge at Jinja
- Replace Karuma bridge

3.4.4 Road Maintenance

- Upgrade the additional 10,000km formerly district roads to national roads standards.
- Reduce the road maintenance backlog on paved and unpaved roads by resealing at least 400km of paved roads and regravelling 4,000km unpaved roads per year.

3.4.5 Contractor Facilitated Financing of road construction projects

Secure funding and construct 1833km of gravel road to bitumen standard under the contractor facilitated financing. The targeted roads include;

(i) Olwiyo-Gulu-Kitgum (167km)
(ii) Atiak-Adjumani-Moyo-Afoji (104km)
(iii) Kapchorwa-Suam (77km)
(iv) Mbale-Bubulo-Lwakhakha (41km)
(v) Muyembe-Nakapiripirit/ Moroto-Kotido (193km)
(vi) Soroti-Katakwi-Moroto-Loktanyala (208km)
(vii) Mukono – Kyetume – Katosi/Kisoga – Nyenga (74km)
(viii) Mpigi - Maddu – Ssembabule (135km)
(ix) Villa Maria Ssembabule (48km)
(x) Musiita-Lumino-Busia/Majanji (104km)
(xi) Hoima-Butiaba-Wanseko (111km)
(xii) Rukungiri-Kihihi-Kanungu-Ishasha (74km)
(xiii) Kyenjojo-Kabwoya (105km)
(xiv) Kayunga-Bbaale – Galiraya (88.5km)
(xv) Buwaya-Kasanje-Mpigi-Kibibi-Mityana (90km)
(xvi) Kabale (Ikumba) – Kanungu– Buhoma (120km)
(xvii) Ishasha-Katunguru (88km)
(xviii) Kabale-Bunyonyi (6km)

3.5 CHALLENGES

Inadequate funding of road maintenance

National roads maintenance and development are currently massively under-funded. The doubling of the national roads network was not matched with proportionate increase in the funding for road maintenance. The net effect of under-funding is deterioration of the condition of roads and ultimately accumulation of maintenance backlog. This has detrimental effect on national economic growth. The solution to this problem is operational of the Uganda Road Fund as a second generation Road Fund.

Adverse weather conditions

Heavy rains in the last two years have caused floods which have ravaged many roads and washed away many drainage structures (culverts and bridges) particularly in Eastern Uganda. These roads require over UGX 70 billion to repair them. However, due to shortage of road maintenance funds, these roads remain in poor condition. There is need for emergency funds to repair flood damaged roads.

Debts

Under-funding of road development projects has results in debts which currently stand at UGX 160 billion. These debts attract accrued interest and reduce contractors' interest in Government financed contracts which will ultimately drive up the unit cost.

Understaffing

As noted earlier, the doubling of the roads network was not accompanied by a proportionate increase in the resources in terms of personnel. This has affected UNRA's capacity to effectively supervise the works. Efforts to recruit additional staff are constrained by the wage bill which has stayed the same. The solution to this problem is increasing the UNRA wage bill to allow recruitment of additional staff.

Weak capacity of contractors

The capacity of the national construction is still weak. Most contractors lack skilled personnel, equipment and financial resources. Consulting firms lack qualified and experienced personnel. As a result there are limited number of contractors and consultants with capacity to implement big projects. The implementation of the national construction industry policy will go a long way to address this problem.

Axle Load Control

The existing law is weak and not deterrent. Transporters can afford to pay the fine and still profit from overloading. There is need to hasten the amendment of the Traffic and Road Safety.

4. DISTRICT, URBAN AND COMMUNITY ACCESS ROADS

4.1 MANDATE AND ASSETS

4.1.1 Mandate

The Ministry of Works and Transport has the following roles and responsibilities with respect to the DUCAR network:

a) Policy formulation;
b) Macro planning, co-ordination, monitoring, guidance and setting standards for road rehabilitation and maintenance;
c) Liaison with Donors on donor-funded programmes in the sub-sector;
d) Assisting District Local Governments in the procurement and maintenance of plant and road equipment; and
e) Organising training programmes for district and urban council`s technical, administrative and finance personal, and policy makers with respect to road maintenance planning, programming and implementation.

District and Urban Councils are responsible for District and Urban Roads respectively. Community Access Roads are the responsibility of local (LCIII) councils.

4.1.2 Assets

The Ministry of Works and Transport is carrying out inventory surveys to determine the full extent of the DUCAR network. Inventory and condition surveys of district roads are also ongoing with the assistance of JICA.

RSDP3 estimates the total length of the network as 33,000 km district roads, 18,000 urban roads and 85,000 community access roads; and recommends the managed network to be 29,494 km, 6,722 km, and 19,757 km respectively.

4.2 PERFORMANCE ON GOLDEN INDICATORS

The conditions of the DUCAR network improved for district roads and urban paved roads relative to 2010/11, whereas urban unpaved roads deteriorated, as shown in in Table 4.1.

Table 1.1, reporting on the Golden Indicators, shows that the indicator on maintenance budget relative to requirement (Indicator 7.a.1) has gone down since 2010/11. This fact would tend to result in a poorer road condition, and therefore contradict the improvements recorded in conditions for the district and urban paved road network - but only so far as spending on maintenance keeps up with the budget release and this is not the case for 2011/12. Table 1.1 also reports on this indicator (Indicator 7.b) and it is lower for this year than in 2010/11. Furthermore, there is an element of uncertainty as to the quality of condition surveys in districts as nearly 40% of all districts do not report to the Ministry or URF.

The low measurement of the budget to requirement and of the spending to release in Table 1.1 will result in many roads falling from good/ fair into the poor category and thereby add to the backlog maintenance, which is already big. The value of the total backlog, equivalent to the cost of necessary rehabilitation to bring the roads back into a maintainable condition, is USD 835.7 Million for 2011/12 as reported by indicator 7.a.2 in Table 1.1. Substituting deferred maintenance with rehabilitation involves a net loss of assets. Section 5, Uganda Road Fund, elaborate on these issues.

The length of the paved urban roads network is 825 km; the length in 2010/11 was 684 km. Table 1.1 also includes indicators of unit cost of construction and maintenance works (refer Indicator 5).

Table 4.1 Roads in good/ fair condition

Class	% in good/fair condition	
	2010/11	2011/12
District	55	60
Urban paved	50	61
Urban unpaved	55	44

4.3 GENERAL PERFORMANCE IN 2011/12

4.3.1 Physical Perfomance

The physical performance is set out in Table 4.2.

Table 4.2 DUCAR physical performance 2011/12

Road	Type of Work	Performance
District roads	Spot improvement	370 km
Demonstration roads	Construction	6 km
Tourism roads	Projects supervised	45 km
Urban paved roads	Tarmaked	2.5 km
Urban unpaved roads	Periodic maintenance	2.2 km
Kaguta (Lira), Nyagali (Zombo)	Bridge construction	2 on-going
Mpongo (Kibale), Kabundaire (Kabarole), Okor and Simu Pondu, Nyanga	Bridge construction	4 completed
Bridges	Design approved	17

Maintenance interventions (in km) is recorded in Table 4.3 and level of achievements relative to target is shown in Table 4.4.

Table 4.3 Maintenance interventions on DUCAR network, by funds disbursed, 2010/11

Class of Road	Routine Maintenance (km)	Periodic Maintenance (km)	Total
District 1)	18,932	6,591	22,965-
Urban	2,120	228	1,235
KCCA	615	38	653
Total	20,552	6,859	27,411

Note 1): As estimated by URF

Table 4.4 Maintenance achievements relative to target 2011/12

Intervention	Target (km)	% Achievement
District road routine maintenance	13,000	-
District road periodic maintenance	1,400	-
Urban road routine maintenance	2,980	71
Urban road periodic maintenance	290	79

4.3.2 Ongoing programmes

Rural Transport Infrastructure

This is 4-year project, funded by both GOU and Danida, commenced in July 2010. It has three sub-components:

a) District and community access roads;
b) Institutional support to Ministry of Works and Transport; and
c) Training and capacity building through MELTC

Rehabilitation of District Roads
Funded by GoU for rehabilitation of district roads in selected Local Governments.

Support to Tourism Roads.
Funded by GoU for improving the road network around tourism areas.

Community Agriculture Infrastructure Improvement Project.
Funded by GoU and Africa Development Bank for improving accessibility to agricultural areas and markets.

District and Urban Road Mapping and Database Project
Funded by GoU and JICA for strengthening the maintenance and rehabilitation capacity of MOWT and the Local Governments through creation of a reliable district and urban roads database. Activities includes:

- Existing databases such HDM4, ROMAPS and RAMPS were reviewed.
- Existing formats and manuals for road inventory on national and DUR were reviewed and improvements are on going

Urban Roads Resealing Project
Financed by GoU and includes activities in 4 selected urban councils annually. The project covers 4 councils per year.

4.4 PROGRESS ON ACTION MATRIX

The progress on the Action Matrix is shown in Table 4.5

Table 4.5 2010/11 Action Matrix

C.	Issue	Action	Progress	Deadline	Resp.
S7	Collection of data on DUCAR network	Commence data collection on the district and urban road network	(i)The JICA project on data collection started on April 2012. (ii)Procurement of consultancy services to harvest and collate existing condition data from DA's and MoWT is still underway	May 2012	MoWT URF
R5	Institutional weaknesses in the management of DUCAR	Provide an inception report on the legal framework for the establishment of a DUCAR Agency/ Authority	Drafting principles for DUCAR Authority have been prepared in readiness for consideration by TMT	September 2012	MoWT

4.5 FUTURE PROGRAMMES

The value of this asset has been significantly eroded such that in many areas of the country it is not performing a basic function of providing all-weather access. The objectives of the interventions recommended in RSDP3 were to:

a) Significantly increase the percentage of roads in good and fair condition;
b) Increase the length of the all-weather connected network.

By these means part of the value of the asset would be re-instated. The interventions are proposed to clear the backlog maintenance over the first five years of the programme, and undertake periodic maintenance on the paved (urban) roads on a cycle of once per 20 years. The all-weather network is proposed to be expanded, and routine maintenance carried out on this network as it expands.

Improved maintenance operations
For the past 15 years road maintenance has been carried out by small scale labour based contractors. However, this system has been recently reviewed and the Government has determined that an alternative means of delivering maintenance is required to enhance efficiency and quality of works. As a result Government has decided to re-introduce direct labour operation for maintenance. Operational details and guidelines are being prepared.

Community access roads
Most of the community roads in Uganda are impassable and have not been engineered. The Ministry wishes to adopt the proposals contained in RSDP3 to improve this network and will seek MOFPED approval for funding.

4.6 CHALLENGES

The key challenge is the low level of maintenance funding and the building up of the backlog as discussed in Section 4.2 above.

Coordination arrangements involving the Ministry, UNRA, LGAs and the URF are not fully developed due to the fact that that some of the agencies are relatively new. The Ministry will take the lead in improving coordination;

Lack of data has been a challenge in the past. The Ministry has co-ordinated with local governments to gather condition data on the District and Urban road networks. An inventory of all District and Urban roads is being prepared with the assistance of JICA.

5. UGANDA ROAD FUND

5.1 BACKGROUND

The Road Fund commenced its third financial year of operation in July 2011. A total of UGX 280.95bn under the road maintenance financing plan was passed by Parliament in September 2011, as part of the Transport Sector Ministerial Budget Policy Statement for FY 2011/12. The Road Fund disbursed a total of UGX 258.09bn realised from the treasury to finance programmes of URF Designated Agencies (DAs) during the year.

In FY 2011/12 the only source of funds was parliamentary appropriations disbursed to the Fund from the consolidated fund under Vote 118. Direct transfer of RUCs to URF awaited removal of the legal lacuna in the URA law, which was still projected to be accomplished in FY 2012/13 to enable its commencement by the start of FY 2013/14.

The public roads network to date is managed by 135 DAs comprising of 111 Districts, 2 Authorities (KCCA and UNRA) and 27 Municipalities. The districts oversee Town Councils and Sub-counties as their sub-agencies. In total there are 1104 sub-counties and 174 town councils as sub-agencies of districts. The DAs and sub-agencies collectively look after a total of 78,000Km of public roads made up of 21,000Km of national roads under UNRA management; 1,100Km of KCCA roads; 18,500Km of district roads; 4,000Km of urban roads managed by town councils; 3400Km of urban roads managed by Municipal councils; and 30,000Km of Community Access Roads (CARs) managed by sub-counties.

The programmes of agencies financed by the URF comprise routine and periodic maintenance of roads and various categories of maintenance of bridges. Operational expenses of UNRA and to a lesser extent for KCCA and DUCAR agencies are met by the fund as well. The scope and extent of financing is agreed with DAs in performance agreements annually signed by the Fund and the agencies.

The DAs employ a mix of force account and contracting to deliver planned works. There is however a strong shift of policy emphasis towards use of force account on the DUCAR network. This has been buttressed by acquisition of a fleet of road equipment from China, which was distributed to districts in June 2012.

During the planning process, DAs prepare annual road maintenance programs and submit to URF for consolidation into the Annual Road Maintenance Programme (ARMP) and the Annual Road Expenditure Programme (AREP) as required under Section 25 of the URF Act. The ARMP, AREP and Performance Statement of the Fund are presented to Parliament by the Minister for roads as part of the transport sector ministerial budget policy statement.

Disbursements to UNRA, districts and municipalities are made by URF on a quarterly basis and accountabilities for the funds are submitted to URF on a quarterly basis. Sub-agencies which include town councils and sub-counties account through their respective districts.

The purpose of this report is to itemize the performance of URF in FY 2011/12 especially rating its achievement against a set of indicators assembled from KPIs under the African Road Maintenance Funds Association (ARMFA); sector golden indicators; performance agreements; and KPIs for URF administration and operations.

5.2 OPERATING PRINCIPLES

5.2.1 Mandate

The Fund derives its mandate from section 6 of the URF Act 2008, to finance maintenance of public roads from collection of road user charges (RUCs) and other related funds.

5.2.2 Vision and Mission

The vision of the Fund is "A transparently fully financed road maintenance for sustainable socio-economic development". The mission of URF is "To finance effective and sustainable maintenance of public roads, principally from road user charges".

5.2.3 Sectoral Setup

The Fund is under the policy ambit of the Ministry for Finance, Planning and Economic development (MoFPED) but is situated in the Works and Transport sector headed by the Minister for roads. Performance and plans of the Fund are tabled to Parliament by the Minister for Roads. Reports and accountabilities are tabled to Parliament by the Minister for Finance as a statutory requirement. The URF Act, 2008 prescribes an arrangement for consultative, political and operational oversight over the Fund by the Ministers for Finance, Roads and for Local Government.

5.2.4 Underpinning Principles and Controls

The Fund aspires to the second generation (2G) status able to generate maintenance funding from road user charges and related streams of revenues and transparently and equitably deploying the resources to maintenance of roads. This forms a key cornerstone in the application of market based principles for management of roads on fee-for-service basis.

The URF Act 2008 is the principle guiding instrument to which are related laws like the Public Finance and Accountability Act 2002; and the Public Procurement and Disposal of Public Assets Act 2003. As a financing institution, there is a strong recourse to periodic Treasury instructions and operational guidelines. As a transport sector institution, there is an ever present alertness for technical policy guidelines issued by the Roads Ministry and the implications they have on financing road maintenance.

5.3 PERFORMANCE ON GOLDEN INDICATORS MONITORED BY URF

The sector golden indicators refers to a set of Transport Sector performance indicators that taken together, provide a robust assessment of high-level performance of the individual sub-sectors and hence the sector as a whole. The overall purpose of the golden indicators is to demonstrate sector wide performance aimed at overall strategic management, including the review of related policy issues. Responsibility for measuring, analyzing and reporting on the golden indicators was apportioned across all works and transport sector institutions on the basis of which institution is best suited to provide the data. URF as such monitors two indicators namely: 'road maintenance costs' and 'road maintenance needs met'.

5.3.1 Road Maintenance Costs

The costs were derived as contract sum (or total expenditure for force account) over the road length. Data was collected from 35 DUCAR agencies comprising of 32 districts and 3 municipalities. The data of maintenance costs on national roads is measured directly by UNRA and was therefore not taken into account. Table 5.1 shows the data for district and urban roads for the period FY 2010/11 and FY 2011/12.

Table 5.1 Road Maintenance Unit Costs in the Period FY 2011/11 – FY 2011/12

Indicator	FY 2010/11	FY 2011/12
	1000 USD/Km	
1.1 District Roads – Periodic Maintenance	2 - 8.0	5.1
1.2 District Roads – Routine Maintenance	0.3 - 1.0	0.3 - 1.4
1.3 Urban Roads – Periodic Maintenance, paved	325	144.4
1.4 Urban Roads – Routine Maintenance, Paved	-	41.3
1.5 Urban Roads – Periodic Maintenance, Unpaved	-	8.3
1.6 Urban Roads – Routine Maintenance, Unpaved	-	0.5 - 1.1

From Table 5.1, the unit costs did not show wide variation in FY 2011/12 compared to FY 2010/11 despite inflationary pressures and increased cost of construction inputs. The cost of periodic maintenance of paved urban roads actually decreased from USD 325,000/Km in FY 2010/11 to USD 144,400/Km in FY 2011/12. Such unit rate decrease could as well be explained in terms of realities of the period of sampling principally inflationary pressures that forced the agencies to scale down scope of work to suit available funding. Method of sampling in the two years varied i.e. in FY 2010/11 the data was derived from approved budget while in FY 2011/12 data came from actual contracts/ works costs.

5.3.2 Maintenance Budget Relative to Requirements

The performance indicators for maintenance budget relative to requirements were computed as the ratio of available maintenance budgets (for different network categories) to the unconstrained annual maintenance needs of the networks. This considered only the proportions of the networks in maintainable state devoid of backlogs. The maintenance backlogs were measured separately using two new sub-indicators: aggregate budget for backlog removal; and the aggregate unmet need for backlog removal. The details are presented in Table 5.2.

Table 5.2 Maintenance Budget in FY 2011/12 Relative to Requirements

Indicator	Unit	FY 2010/11	FY 2011/12
2.1 National roads (Maintenance)	%	72.3%	32.9%
2.2 District roads (Maintenance)	%	74.1%	73.9%
2.3 Urban roads (Maintenance)	%	74.1%	64.9%
2.4 Budget all roads (Rehabilitation)	Million - USD	-	72.3
2.5 Backlog all roads (Rehabilitation)	Million - USD	-	835.7

The budget relative to requirement indicator for national roads decreased from 72.3% in FY 2010/11 to 32.9% in FY 2011/12 while for district and urban roads it remained the same in the range of 65% - 74%. The drop in the indicator for national roads can be attributed to the fact that in FY 2010/11 the indicator was based on budget requests by agencies while in FY 2011/12 it was based on the annual unconstrained needs. The constancy in the figures for district and urban roads is majorly due to the fact that determination of maintenance needs was based on only 55% of the maintainable sections of the network thus showing high values of maintenance needs met.

The percentage of annual overall maintenance needs met for both regular maintenance and backlog removal is 35.5% comprising of 33.5% on national roads; 33.5% on district roads; and 50.1% on urban roads.

5.3.3 Maintenance Expenditure Relative to Releases

The indicators for maintenance expenditure relative to releases were derived as a percentage of URF releases expended by the designated agencies within the FY. Absorption of funds under rehabilitation programmes in UNRA and DUCAR agencies was not considered in line with the approved indicator definition. Table 5.3 shows the absorption of road maintenance funds on national roads and on the DUCAR network based on data from 70% of DUCAR agencies.

Table 5.3 Maintenance Expenditure Relative to Releases

Indicator	Unit	FY 2010/11	FY 2011/12
2.6 National roads	%	100%	100%
2.7 DUCAR	%	71%	60%

In summary the performance of the roads sub-sector in FY 2011/12 on the 3 indicators shows a non-conclusive trend in road maintenance costs and maintenance budget relative to requirements. The indicator on absorption of road maintenance funds however shows a definite decline over the period FY 2010/11 – 2011/12.

5.3 PERFORMANCE OF ROAD MAINTENANCE FINANCING IN FY 2011/12

5.3.1 Trend of Road Maintenance Financing

Prior to the establishment of URF, road maintenance funding was disbursed directly to agencies from the treasury within the framework of annual budgetary appropriations. This approach did not prioritise road network maintenance needs in the backdrop of competing demands. Between 1997/98 and 2007/08, the national roads network, owing to the funding shortfall, had accumulated a maintenance backlog of 3,500Km or 33% of its network of 11,000Km at the time. The district roads network in poor to very poor condition escalated from 30% to 55% over the same period. Part of the reason for establishment of the Road Fund in 2008 was to address these condition declines.

A road fund by definition is an institutional setup through which a selected stream of revenues is put at the disposal of a government roads department or agency without being subjected to general budget procedures and reviews associated with the consolidated fund. An enabled road fund offers best opportunity to ensure adequate level and predictability of road maintenance funding. URF has not yet attained this status owing to legal impediments constraining its independent realization of revenues from road user charges. As such voting of road maintenance funding as part of parliamentary annual appropriations is still not responsive to road condition and can only facilitate escalation of backlog.

Table 5.4 shows the MTEF projections to FY 2015/16, which indicates that the available funding will only meet 34% of needs, leaving funding of 66% of needs unmet. There is risk of further escalation of value of available funding due to spiraling inflation. In FY 2011/12 URF was allocated a total of UGX 280.95 billion under the Medium Term Expenditure Framework (MTEF), of which net allocation to road maintenance needs was UGX 273.06 billion against total requirements estimated at UGX 691.5 billion. Therefore the unfunded maintenance needs of the entire public roads network amounted to UGX 418.4 billion (60.5% of total road maintenance needs).

Table 5.4 Road Maintenance Funding FY 2010/11 – FY 2015/16

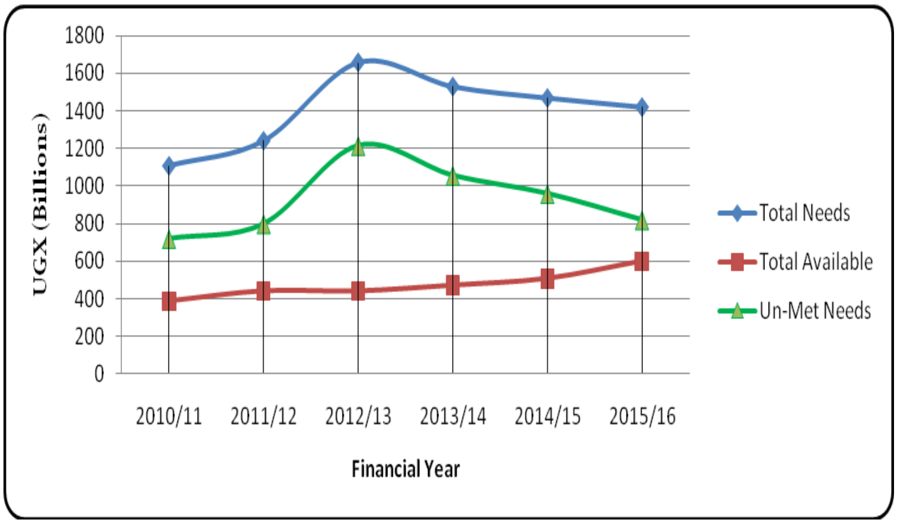
FY	UGX, bn							
	Needs			Available[1]			Un-Met Needs	
	M'tce	Backlog	Total	URF	Others[2]	Total	Amount	%tage
2010/11	604.2	504.0	1108.20	273.06	115.67	388.73	719.47	64.9
2011/12	691.5	549.1	1240.6	273.06	168.88	441.94	798.66	64.38
2012/13	874.8	780.6	1655.4	273.06	168.08	441.14	1214.26	73.35
2013/14	875.9	651.4	1527.4	303.22	168.41	471.63	1055.77	69.12
2014/15	878.4	588.7	1467.1	336.09	171.70	507.79	959.31	65.39
2015/16	865.7	553.2	1418.9	419.25	179.94	599.19	819.71	57.77
%	43.28	9.762	28.04	53.53	55.56	54.14	13.9	-

[1]MTEF Projections

[2]Include others for rehabilitation such as PRDP, RRP and others but excluding major upgrading works

Figure 5.1 shows the trend of road maintenance needs, road maintenance financing and the un-met needs (including funding under RRP and PRDP), since FY 2010/11 and as projected to FY 2015/16.

Figure 5.1 Trend in Road Maintenance Funding, 2010/11 to 2015/16



5.3.2 Allocation of funds

By Parliamentary appropriations, a sum of UGX 280.95bn was allocated to URF for road maintenance in FY 2011/12. This was slightly less that the UGX 283.88bn in FY 2010/11. The funds were allocated on various expenditure heads by category and by allowed uses as shown in sections 3.2.1 and 3.2.2

5.3.3 Allocation by category of expenditure heads

Allocation of funds in FY 2011/12 by category of expenditure heads was shown in Table 5.5.

Table 5.5 Allocation of Funds, FY 2011/12

Item	FY 2010/11 UGX bn	FY 2011/12 UGX bn	FY 2011/12 % of Total Budget
Maintenance of National roads (UNRA)	177.993	181.87	64.73%
Maintenance of DUCAR network	85	78.40	27.83%
Maintenance of KCCA Roads	13	12.79	4.63%
URF Secretariat	7.89	7.89	2.81%
Grand Total	283.883	280.95	100.00%

Source: URF OYRMP FY 2011/12

Comparatively, the allocation to national roads maintenance increased by UGX 3.8bn (2.2%) while that for the DUCAR network decreased by UGX 6.6bn (7.8%) and for KCCA network by UGX 0.2bn (1.6%). Allocation for the URF Secretariat remained same as that in FY 2010/11 i.e. UGX 7.89bn.

5.3.4 Allocation by allowed uses

In line with section 22 of the URF Act, the funds appropriated to URF in FY 2011/12 were applied for various categories of works, goods and services as detailed in Table 5.6.

Table 5.6 Summary of Funded Activities Against planned in FY 2011/12

Sn	Maintenance Activity	Planned		Financed		Remarks
		Quantity	Amount (UGX Million)	Quantity	Amount (UGX Million)	
1	Routine Maintenance					Wide variation between quantities of planned activities and funded activities was due to low performance of MFPED releases for road maintenance and inflationary pressures that caused price increments of construction inputs like fuel, cement, labour, bitumen etc.
	Manual (Km)	52,422	45,091	39,989	46,398	
	Mechanized (Km)	14,849	84,931	13,588	72,539	
2	Periodic Maintenance					
	Paved (Km)	354	34,295	296	36,578	
	Unpaved (Km)	5,840	53,302	5,096	53,326	
3	Bridges					
	Routine (No)	230	1,906	230	3,711	
	Periodic (No)	9	5,228	9	9,530	
4	Road Signs (No)	4,000	2,000	1020	1200	
5	Axle load control	12	5,760	8	5,760	
6	Ferry Services	9	9,695	7	9,695	
	Total		**242,208**		**238,737**	

It can be seen from Table 6 that planned quantities for periodic maintenance and routine maintenance were not fully funded by the end of the year. A UGX 22.9bn cut in available budget in Q4 and high inflationary pressures which peaked at 30.5% in October 2011 were the leading causes. Provisional actual performance against funded activities was by end of Q3 as shown in Table 5.7.

Table 5.7 Provisional Actual Performance at Q3 against Funded Activities

Sn	Maintenance Activity	Funded Quantity	Actual Quantity at Q3	Remarks
1	Routine Maintenance			The final actual performance of road maintenance activities in FY 2011/12 will be reported in the URF Annual Report after all accountabilities for Quarter 4 have been received and analyzed.
	Manual (Km)	39,989	34,090	
	Mechanized (Km)	13,588	9,390	
2	Periodic Maintenance			
	Paved (Km)	296	80	
	Unpaved (Km)	5,096	1,697	
3	Bridges			
	Routine (No)	230	90	
	Periodic (No)	9	0	
4	Road Signs (No)	1020	0	
5	Axle load control	8	7	
6	Ferry Services	7	6	

5.3.5 Performance of Revenue Inflows in FY 2011/12

In FY 2011/12 the treasury released a sum of UGX 258.088bn to vote 118 in quarterly tranches, which constituted 91.9% of the budgeted funds for URF. This resulted in a funding shortfall of UGX 22.9bn. Table 5.8 shows the performance of the receipts from MFPED during FY 2011/12.

Table 5.8 Summary of Revenue Inflows to Vote 118, FY 2011/12

Sn	Description	Annual Budget	Q1	Q2	Q3	Q4	Total	% of Budget
1	**MFPED Releases**							
	UNRA	181.87	45.468	45.467	45.467	31.464	167.866	92.3%
	DUCAR	91.19	23.019	22.798	22.798	15.775	84.390	92.5%
	URF Secretariat	7.889	2.521	1.434	1.229	0.648	5.832	73.9%
	Total	**280.949**	**71.008**	**69.699**	**69.494**	**47.887**	**258.088**	**91.9%**
2	Dates of Release		4 Aug 2011	1 Nov 2011	2 Feb 2012	10 May 2012		
3	Delay (no. of business days from start of quarter)		24	21	23	26	23.5 (average)	

Key indicators to note in Table 5.8 are the budget releases performance at 91.9% of the approved budget estimates, and the 23.5 business days (1 calendar month) on average from the start of each quarter for release. Table 5.9 shows performance of the KPIs for revenue inflows against target.

Table 5.9 Performance on KPI's for Revenue Inflows, FY 2011/12

	KPI	Target in FY 2011/12 OYRMP	Actual Realised in FY 2011/12	Remarks
1	Efficiency (% of potential revenue collected in each category)	98% min	91.9%	Not Achieved
2	Timeliness (Average days from collection to deposit for each category)	14 business days max	23.5 business days average	Not Achieved

It can be seen from Table 5.9 that both performance targets for Efficiency and Timeliness were not achieved, with a delay of up to 9.5 business days on average. The KPI for efficiency in revenue inflows underperformed by 6% while the KPI for timeliness of revenue inflows under performed by 67.9%.

5.3.6 Performance of Funds Disbursements in FY 2011/12

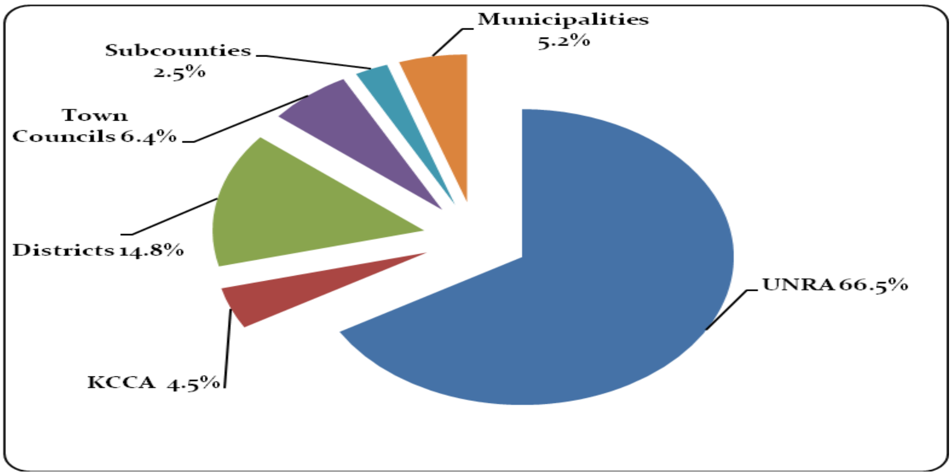
In FY 2011/12, URF made disbursements amounting to UGX 258.087bn, as shown in Table 5.10, of which UGX 255.255bn was disbursed to DAs and UGX 5.832 for the URF Secretariat. All funds received from MFPED in FY 2011/12 were disbursed and on average disbursements took 7.5 business days from the dates of receipt of funds.

Table 5.10– Summary of Funds Disbursements–FY 2011/12

Sn	Description	Annual Budget (UGX bn)	Quarterly Disbursements (UGX bn)				Total (UGX bn)	Release as % of Budget	% of Total Release
			Q1	Q2	Q3	Q4			
1	**URF Releases from Total Revenue Inflows of UGX 258.088 billion**								
	UNRA	181.87	45.467	45.468	45.4675	31.464	167.866	92.30%	65.0%
	KCCA	12.787	3.854	3.073	3.197	1.338	11.462	89.64%	4.4%
	Districts	64.65	12.615	19.46	14.366	13.381	59.822	92.53%	23.2%
	Municipalities	13.753	3.119	3.847	3.358	2.781	13.105	95.29%	5.1%
	URF	7.889	2.521	1.434	1.229	0.648	5.832	73.93%	2.3%
	Total	**280.949**	**67.576**	**73.282**	**67.618**	**49.612**	**258.087**	**91.86%**	**100.0%**
2	Dates of Release		19 Aug 2011	7 Nov 2011	14 Feb 2012	22 May 2012			
3	Delay (no. of business days from date of MFPED releases)		11	4	8	7	7.5 (average)		

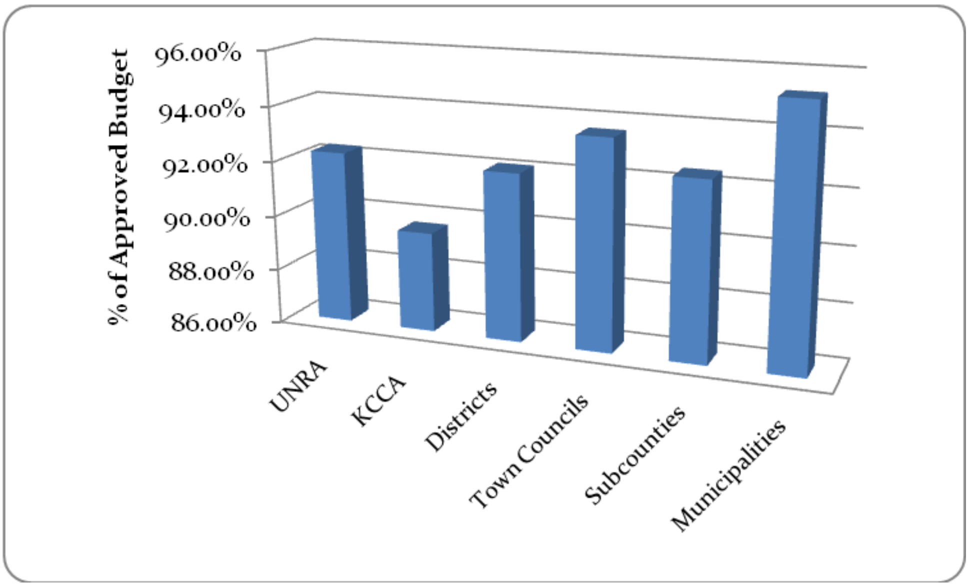
It can be seen from Table 5.10 that disbursements to the different categories of DAs performed generally at above 90%. Disbursements to URF Secretariat performed lowest at 73.9% followed by disbursements to KCCA at 89.6% mainly due to the UGX 22.9 billion shortfall in releases experienced in Q4. Figure 5.2 shows the percentage disbursements to the different categories of DAs and sub-agencies made by URF during FY 2011/12.

Figure 5.2 Disbursements by Categories of Agencies, FY2011/12



It can be seen from Figure 5.2 that disbursement of funds generally complied with the respective allocation levels given across network categories, with UNRA receiving 66.5% of the road maintenance disbursements; districts 14.8%; municipal councils 5.2%; town councils 6.4%; sub-counties 2.5%; and KCCA 4.5%. Figure 5.3 shows the performance of disbursements against Indicative Planning Figures (IPFs) of DAs and sub-agencies.

Figure 5.3 Disbursed Funds Against IPF's of DA's and Sub-Agenices, FY 2011/12



It can be seen from Figure 5.3 that generally all categories received funds in excess of 90% of the approved IPFs with the exception of KCCA. The underperformance of disbursements against IPFs was due to underperformance of MFPED releases to URF. Releases to KCCA were additionally affected by low absorption of funds, which informed the allocation process against the backdrop of budget cuts.

5.4 REVIEW OF 2011/12 ACTION PLAN MATRIX AND PROGRESS

The key action points for URF in the FY 2011/12 action plan matrix included drawing up a strategic plan for URF; execution of MoU on coordination framework between URF and MoWT; collection of data on the DUCAR network; and finalising the budget allocation formula for road maintenance. The respective achievements against the actions are provided in Table 11.

Table 5.11: Performance of URF on 2011 JTSR Action Matrix

Sn	Action	Progress	Remarks
1	Commence the Strategic Plan for URF.	Development of the URF Strategic Plan was delayed by belated change of methodology following collapse of the long term Technical Assistance. Procurement of consultancy services for the plan is in progress.	The plans are projected to be in place by end of FY 2012/13
2	Sign MoU on Coordination framework between URF and MoWT	Signing of the MoU was delayed due to absence of a fully constituted URF Board for a period of about 2 months. The draft MoU was finalised and the URF Board is now in place.	MoU is expected to be completed by December 2012.
3	Commence data collection on the District and Urban road network.	The JICA Project on data collection started on 1st April 2012. In addition, consultancy for collection of data for the development of the 3 & 5 year road maintenance plans is expected to commence in October 2012.	The Data collection exercise is projected to be complete by December 2012.
4	Finalize the study on allocation formula for road maintenance.	The study was completed and the formula was presented to stakeholders in May 2012; and the SWG committee on finance and infrastructure in June 2012.	Finalization of the approval process is expected to be completed in FY 2012/13 in time for the FY 2013/14 budget process.

5.5 FUTURE PLANS – 3 YEARS

5.5.1 Global Allocation for FY 2012/13

The approved budget for FY 2012/13 is UGX 280.283bn allocated broadly as shown in Table 5.12.

Table 5.12 Overall Allocation of Funds, FY 2012/13

No.	Programme Item	FY 2011/12 Amount (UGX bn)	FY 2012/13 Amount (UGX bn)	% of Total
1	UNRA	177.79	177.79	63.43%
	UNRA Operations	4.08	4.08	1.46%
Total National roads		**181.87**	**181.87**	**64.89%**
2	Districts	37.74	37.74	13.46%
	CAR	6.9	6.968	2.49%
	Town Councils	17.17	17.236	6.15%
	Municipal Councils	12.15	13.907	4.96%
	KCCA	13	12.432	4.44%
	Mech. Imprest	4.23	-	0.00%
	Special interventions on DUCAR	-	2.91	1.04%
Total for maintenance of DUCAR network		**91.19**	**91.193**	**32.54%**
3	URF Secretariat	7.89	7.22	2.58%
Grand Total		**280.95**	**280.283**	**100%**

Source: URF OYRMP FY 2012/13

Based on expressed needs of Agencies, there will be a shortfall in funding of UGX 473.8bn made up as follows: National roads UGX 439.1bn; DUCAR network UGX 32.1bn; URF determined programmes UGX 2.6bn. This will reduce the level of periodic maintenance achievement with a consequent increase in backlog across all networks.

5.5.2 Planned Road Maintenance Activities in FY 2012/13

Table 5.13 shows a summary of the key road maintenance activities planned to be funded in FY 2012/13 as compared to FY 2011/12. Inflationary pressures against a constant budget have ensured reduced targets. Planned targets on the DUCAR network is less than that in FY 2011/12.

Table 5.13 Summary of Road Maintenance Activities Planned to be Funded in FY 2012/13

	FY 2011/12				FY2012/13			
	National Roads Network		DUCAR Network		National Roads Network		DUCAR Network	
Works Category	**Qty**	**Amount (UGX Bn)**	**Qty**	**Amount (UGX Bn)**	**Qty**	**Amount (UGX Bn)**	**Qty**	**Amount (UGX Bn)**
Routine Maintenance								
Manual (Km)	19,591	16.926	32,831	28.164	20,090	15.000	29,581	28.300
Mechanized (Km)	14,849	84.931			12,981	93.578		
Periodic Maintenance								
Paved (Km)	28	15.195	5,610	49.317	50	6.800	4,293	39.300
Unpaved (Km)	556	21.269			855	22.000		
Bridges								
Routine (No)	175	1	20	0.906	175	2.000	20	0.400
Periodic (No)	4	5.228			9	6.346		
Culvert Installation (No)	-	-	613	1.824	-	-	376	2.300

5.5.3 Plans for the Medium Term

In the medium term, FY 2012/13 – 2014/15, URF plans to adopt the strategies in Table 14 to improve operations of the Fund and road maintenance financing.

Table 5.14 Strategies to Improve Road Maintenance Funding

Sn	Strategy	Actions	Timing	Remarks
1	Direct transfer of RUCs into independent URF Account	Coordination with MFPED on the amendment of the URA law to enable the direct remittance of RUCs to the URF accounts; Establishment of regulations, systems and performance agreements which are ongoing.	FY 2012/13	Transfer of RUCs is projected to commence in FY 2013/14.
2	Enforcement of Section 22 of the URF Act	Completion of the approval process of the draft funds allocation formulae; Commissioning use of the new allocation formulae in time for the FY 2013/14 budgeting	FY 2012/13	Draft funds allocation formula is in place and is currently going through the approval processes

Sn	Strategy	Actions	Timing	Remarks
		process.		
3	Establishment of the 1st URF 5-year strategic plan	Commence data collection study in September 2012 and end by June 2013 Develop 5-year road maintenance plan	FY 2012/13	Draft plan is projected to be in place by March 2013 and will form the basis for the FY 2013/14 OYRMP.
4	Conduct efficient and effective technical and financial audits	Increase coverage of audits to 80% among agencies; Build capacity of internal audit departments in agencies; Train internal audit URF staff in technical issues; Engage consultants to carryout regular checks on agencies; Establish a risk based approach in selection of agencies for audit; Coordinate audits and share findings with other relevant government institutions	FY 2012/13 – 2014/15	These will seek to improve compliance with good practice; to assess value for money; and guide institutional and operational improvements among DAs.
5	Strengthening the monitoring and evaluation function	Establish a monitoring and evaluation framework; Establish a monitoring and evaluation manual; Establish and institutionalise most responsive approach to M&E; Train M&E URF staff in relevant target areas; Engage consultants under framework contracts; Disseminate findings widely	FY 2012/13 – 2014/15	These will provide feedback and inform management decisions from time to time; and to bring about continuous improvement across all activities supported by the Fund
6	Promote use of road management tools/software	Revamping the use of road maintenance programming tools like RAMPS and ROMAPS	FY 2012/13 – 2014/15	This is expected to support planning and programming of road maintenance works in DUCAR agencies.
7	Introduction of online disbursements and reporting	Integrated management information systems (IMIS); Introduction of a Road Maintenance Management System (RMMS).	FY 2012/13 – 2014/15	This is expected to improve management and reporting on URF business processes; and to improve planning, reporting and accountability among DAs
8	Implementation of results of key ongoing studies	Studies on funds allocation formulae, unit costs, technical and financial audits Finalising guidelines and	FY 2012/13 – 2014/15	

Sn	Strategy	Actions	Timing	Remarks
		modalities for regular research		
9	Leverage internal capacities and improve systems	Engage long term technical assistance	FY 2012/13 – 2013/14	This will be funded by the European Union (EU) under the 10th EDF programme.

5.6 CHALLENGES AND PROPOSED MITIGATION MEASURES

The key challenges identified include:

a) Grave underfunding of maintenance as per evidence provided in Table 4, against the backdrop of escalating needs in terms of size of network and scope of works. The following facts further support this assertion:
b) Even with the escalation of the annual road budget to a trillion shillings effective FY2008/09, actual road maintenance share has averaged UGX280bn per year over the last three years, in essence never exceeding 30% of the trillion.
c) Under MTEF projections to 2016, the available funding will be able to meet just about 34% of needs, comprised of normal maintenance and backlog removal (gap of 66%);
d) Value of available funding for FYs 2011/12 – 12/13, at UGX278.95bn per year have further been eroded by up to 24% owing to inflationary pressures, which has driven up cost of input materials;
e) Approx. UGX600bn disbursed to agencies for road maintenance in past 2 yrs but condition of the public road network remains 30% in poor to very poor condition;
f) The roads remain fragile and vulnerable to even medium rains of 10-20 year return periods as occurred in the second half of 2011;
g) Imbalance in road network resources allocation that disadvantages road maintenance (asset preservation) in favour of development – at less than 30%;
h) Actual road maintenance budget constitutes 0.57% of GDP, well below the current African average 0.78% projected to drop to 0.5% by FY2015/16. Current road maintenance requirement is however 1.3% of GDP (UGX 1,108bn) as shown in Table 4;
i) Road management and administration costs have lately shot up tremendously due to increased number of DAs (shot up from 80 to 146) and size of UNRA network;
j) Clamour for public sector pay increases and other budgetary pressures as competing priorities are serious threats to road maintenance funding

In mitigation, the following measures are proposed:

1) It is necessary to make major capital investment to remove backlog and eliminate bottlenecks through rehabilitation/reconstruction/upgrading undertakings to bring the entire network to maintainable state. It is proposed that the MTEF projections for the FY2012/12 – FY2016/17 as shown in Figure 5.4 be used for removing backlog of maintenance on un-maintainable section of the network.

Figure 5.4 Road Map to Full Operation of the Uganda Road Fund

SN	Action	2012/13		2013/14		2014/15		2015/16		2016/17		Remarks
		H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	
A.	Remove Backlog and Eliminate Bottlenecks on all networks											
A.1	Cash flow, UGXbn	280.0		311.95		345.75		431.33		9.57		From C.F. for backlog m'tce
B.	Declare Levies on RUCs, Collect and Transfer to URF											
B.1	Amend URA law											By MoFPED
B.2	RUC Mg't Framework											By Dec 2012
B.3	RUC on fuel											
B.4	Others RUCs											
B.5	RUCs Yield, UGXbn	0.0		221		254.75		268.67		790.43		For M'tce
B.6	A.1 + B.5, UGXbn	280.0		532.95		600.0		700.0		800.0		Total Funds
B.7	c.f. to Ideal Needs UGXbn	600		700		800		900		1000		Update with new data, now being collected
B.8	Unfunded Needs UGXbn	(320)		(167.05)		(200)		(200)		(200)		

2) Concurrently actions should be taken to declare levy petroleum based levels proposed in the OYRMP for FY2012/13 i.e. at UGX 231 per litre of petrol and UGX 144 per litre of diesel to raise UGX221bn in start year FY2013/14 based on current known importation volumes. The key steps leading to this goal include:
3) Enact an amendment to the Uganda Revenue Authority Act that would permit non-tax revenue collected under laws defined by the First Schedule of that Act, to be transferred to third parties (read URF) nominated by the Minister under a statutory instrument;
4) Remove the Fund from the budgetary processes of Government. The exception is in respect of subventions through Vote 118 to deal with backlog of maintenance and any other financial support for specific purposes agreed between the Government and the Fund management board;
5) Allow the Fund to exercise its mandate in proposing plans and related tariffs to meet the real needs of maintenance of the road network of Uganda.
6) For a start and following full declaration of levies on RUCs instruments, an intermediate arrangement could be reached between the Fund and Treasury where RUCs collections flow to URF account from the consolidated fund via an intermediate account but with agreement secured by the Fund for automatic monthly transfers to its account. This arrangement could remain in place for some 3-5 years to allow time for substantial reduction in backlog and confidence building by Treasury in the new arrangement. A similar arrangement is operating in Tanzania.
7) The URF has now embarked on establishing a RUCs collection and management framework to operationalize the process once residual legal reforms are accomplished.
8) Several historical challenges that have dogged effective maintenance management and financing of the public roads network over the past decades and have compounded the effects of underfunding. These together have continually frustrated efforts to design and implement well-planned, well-timed and adequately resourced maintenance programs to reverse network deterioration. These include:
9) Weak institutional capacities of DUCAR agencies especially in planning and management resulting into poor maintenance practices and accumulation of backlog. In mitigation, URF

will continue to work with other government entities in addressing the various forms of capacity gaps in DUCAR agencies;

10) Dilapidated road network especially in Kampala City and the expanded national roads network that require major interventions to bring them to maintainable states that qualify for URF funding. Proposed mitigation is in 1a) above.
11) Procurement delays hampering the implementation of road maintenance programmes and absorption of funds. In mitigation, URF will continue coordination with other government entities in addressing the underlying issues in delays to procurements;
12) Limited capacity of the private sector contributing to poor quality and expensive road maintenance works. In mitigation, URF will actively support efforts to roll out reforms in the local construction industry as proposed in the National Construction Industry Policy;
13) Problematic classification of the roads following the transfer of 10,000Km of DUCAR network to national roads and the escalation in number of DUCAR agencies. URF proposes a review of the classification of roads in Uganda with a view of removing network size instabilities; functional inconsistencies; management ambiguities etc;
14) Insufficient oversight among DUCAR designated agencies as only few Agencies have established District Road Committees (DRC) as required under section 25 of the URF Act. In mitigation, URF is working with the Office of the Solicitor General to finalise DRC regulations which will help in streamlining operations of DRCs;
15) Limited data on road condition and size for both DUCAR and national roads. In mitigation, URF will continue to coordinate with DAs, MoWT and other stakeholders in collection of data on road inventories and condition;
16) Poor absorption of funds by designated agencies leading to deferment in implementation of road programmed works which approximately stands between 60-70% in old districts and between 5-10% in newly created districts and KCCA. In mitigation, URF will continue issuing early budget guidelines to guide DAs in planning, which will help in improving absorption of funds through improved management of procurements
17) Imbalance in cost of road maintenance works. The unit rates will however be harmonised across the country riding on the outputs of the ongoing unit costs study by URF.
18) Low compliance to reporting requirements by designated agencies, which affects timely reporting on performance of the sector. In mitigation URF plans to introduce use of a Road Maintenance Management System (RMMS) to improve planning, reporting and accountability among DAs.

6. KAMPALA ROADS AND TRANSPORT

6.1 INTRODUCTION

The Kampala Capital City Act, 2010 came into force on the 1st of March 2011 and created a new Institution, the Kampala Capital City Authority (KCCA) under the supervision of the central Government. The Ministry of works and Transport also plays a role in the transport

6.1.1 Mandate of KCCA

KCCA is mandated with provision of services in the city that enable residents and businesses operating in the city function in an environment that supports development. Specifically, the authority is obliged to plan, implement, and monitor the delivery of public services, direct and control city development. KCCA meets this mandate by implementing programmes financed by Government, Development Partners as well as local revenue.

6.1.2 Functions of MoWT

The MoWT retains the roles of policy development, licensing, regulation and coordination of the NTMP and GKMTP implementation.

6.2 PERFORMANCE ON GOLDEN INDICATORS

Two indicators have been measured for FY 2011/12:

- Length of paved road network is 422 km. This is 6 km more than 2010/11, equivalent to the length of sections, completed by June 2012, of ongoing construction projects.
- The travel time in Kampala is 2.5 minutes/km. This has been measured by surveys by MoWT on representative routes and replicated by KCCA's model. Measurements will be done annually on the same routes. There were no data for FY 2010/11.

6.3 GENERAL PERFORMANCE IN FY 2011/12

6.3.1 Achievements by MoWT

Bus Rapid Transport
The Ministry has signed a contract with Rom Transport Engineers in association with ARUP (PTY) ltd and AH Consulting Ltd to carry out a feasibility study and detailed engineering design and contract preparation for the Pilot BRT system in Greater Kampala Metropolitan Area. This is a World Bank funded project estimated to cost approximately U$ 3.2 million. The contract duration is 12 months and is expected to be concluded by end of July 2013.

The core pilot route will be 14km running from Bwaise from Bombo Road- Kampala Road -Jinja Road to the Northern Bypass junction near Kireka. A BRT spur will be provided from Kampala Road through the Kibuye roundabout to Namasuba on Entebbe Road. An extra 6km will be added to increase the impact and acceptability of the BRT System for minimising congestion in GKMA

Metropolitan Area Transport Authority
The Government is in the process of establishing a Metropolitan Area transport Authority (MATA) to act as a single-purpose urban transport authority for better management of the public transport

system in the GKMA including BRT. The responsibility of MATA will be planning, procurement and licensing of private transport operation.

Non-Motorised Transport (NMT)
The Ministry prepared a Non–Motorised Transport (NMT) Policy aimed at promoting, guiding and ensuring that all the urban transport and infrastructure designs accommodate and plan for cycling and walking. The Non-Motorised Transport network in GKMA will complement BRT system and act as feeder and distributor to the system. KCCA has already developed plans for pilot NMT corridor.

Development partners have earmarked specific funding and technical assistance in the initial development and implementation of NMT strategies. UNEP and the GEF have provided funding to start up the NMT project as well as support to the BRT Project Management Unit.

6.3.2 Achievements by KCCA

Roads and Drainage Improvement
KCCA inherited a road network in a poor state with 80% of the paved roads having numerous potholes. In addition 90% of gravel roads were in a poor condition. The city urgently needed rehabilitation of the roads and improvement of the road side drainage. KCCA identified various roads that were in critical state that needed emergency interventions. Pothole repairs have been done on a number of roads in the city. However most of the roads need overhaul as they have outlived their design life and road repairs tend to serve little or no value as new potholes continue to develop.

Some roads were upgraded whereas others have been reconstructed. Six gravel roads (12 km) are being upgraded from gravel to bitumen using the World Bank funded Kampala Institutional Infrastructure Development Programme (KIIDP). Various roads have been upgraded in Kisenyi, Katwe and Bwaise as part of the Kampala Integrated Environment Management Programme funded by the Belgian Government.

KCCA started reconstruction of a 3.6 km section of Lubigi channel, one of the seven primary channels, with assistance from the World Bank. This section stretches from Gayaza road to Hoima Road, along the Northern Bypass. The project which is scheduled to be completed in December 2012 will alleviate the rampant flooding in Bwaise.

Other community drains in Kisenyi and Katwe have been constructed to improve flow of storm water and reduce flooding. 15 drainage black spots have also been identified for upgrading under the Kampala Drainage Master-plan and eight have been contracted out.

Table 6.1 Summary of completed and ongoing roadworks (FY 2011/12)

Description	Cost (UGX bn)	Source	Remarks/ Status (30/6/2012)
Reconstruction (Kafumbe Mukasa 7 Kisenyi rds)	5.7	GOU	Ongoing, about 50% complete
Upgrading from gravel to bitumen (6 roads, 12k)	26	KIIDP	Ongoing, about 10% complete
Upgrading from gravel to bitumen (church to church rd)	0.32	KCCA	Completed
Maintenance of various tarmac roads (pothole repairs with localized full-width repairs or overlays- Mud & Dust programme)	9.4	GOU	Mud & Dust Program, about 90% complete
Emergency/pothole repairs- bitumen roads in city center	4.3	URF	Contracted out works, completed
Maintenance of various tarmac roads in Divisions	5	URF	Contracted out works, about 15% complete
Emergency/pothole repairs- bitumen roads	3.0	URF	Force account, ongoing
Major regravelling-periodic maintenance of several	9.7	URF	Works on 25 roads (worth

Description	Cost (UGX bn)	Source	Remarks/ Status (30/6/2012)
Gravel roads in the 4 Divisions			about 2.8bn) completed. Works on 13 roads are ongoing (about 2bn). Works on 11 other roads have been awarded.
Maintenance of primary and secondary drains (Nakivubo Channel & tributaries)	2.33	KCCA	Contract for 2 years
Upgrading drainage blackspots phase 1 and phase 2	5.6	KCCA	Contracts have been awarded
Reconstruction of Lubigi Channel (3.6km, 5 major road crossings)	22.9	KIIDP	Ongoing, about 10% complete
Road safety: Installation of street lights and payment of electricity bills	1.24	KCCA	Ongoing

Restoration of Trade Order Management in the City

The city is a centre of attraction for all sorts of people seeking employment. This has resulted in many settling for any available opportunity mostly in the trading sector. Kampala streets had been congested with street vendors contrary to the provisions of the ordinance that provides for places of commercial activity. Many of the street vendors have been relocated to markets as ways of bringing order to the city. Kampala streets today are cleaner and safer after the eviction of vendors.

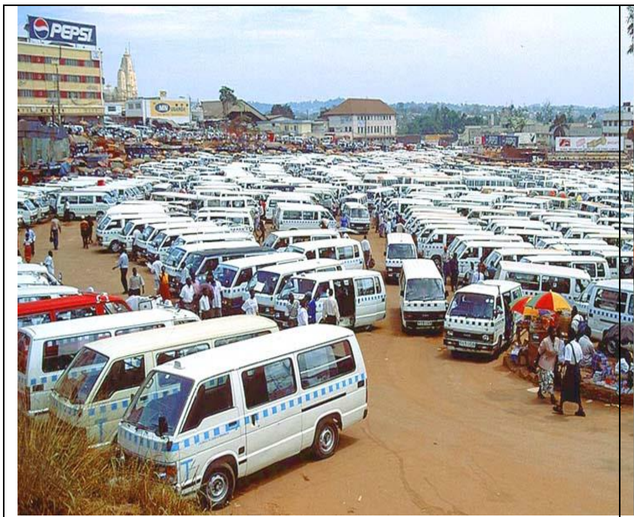
Garbage Collection

KCCA has stepped up garbage collection from 16,976 tons in March, 2011 to 29,537 tons in June 2012. So far 1500 litter bins have been placed in various corners and schools. The improvement in garbage collection and heightened de-silting of drainage channels have significantly improved the flow of storm water and reduced floods in the city.

The Executive Director together with the Minister in Charge of Kampala then launched the Kampala Space City Yange campaign in November 2011 against littering the city, the first of its kind. Compliance to the waste management ordinance is stepped up. As a result of the above efforts, Kampala today is cleaner, with reduced dumping of waste in the drainage channels.

Public Transport

The absence of a high volume transport system in the city left the sector in the hands of commuter taxis and bodabodas thereby congesting the City and leading to many accidents. The recent introduction of Buses with a capacity of 61 passengers is an attempt to improve the public transport system.



The current two main means of public transport; Commuter Taxis and the recently introduced Buses

Financial management

- *Improving Prudence in the Management of Public Funds.* KCC operated over 151 bank accounts that have today been consolidated into 8 revenue collection accounts and 2 expenditure accounts; all located in Bank of Uganda. All the verified outstanding arrears have been cleared. All expenditures are within the budget and that has greatly improved budgetary discipline and minimized the growing of current arrears.

- *Revenue Mobilization.* KCCA has intensified revenue collection. UGX 41bn was realized in the FY 2011/12 out of the projected UGX 44.42bn representing an achievement of 92.6%. Collections grew by 37% from UGX 30bn in financial year of 2010/2011. When all the necessary revenue support systems are deployed KCCA will be able to balance the operational budget which will release funds from the national budget to the development budget.

Improved interaction with stakeholders

KCCA successfully held the inaugural Citizens Forum on 19th April 2012 which attracted over 1000 participants. KCCA has also improved client engagement through its website, www.kcca.go.ug, Facebook and Twitter communication sites.

6.4 PROGRESS ON ACTION PLAN MATRIX, FY 2011/12

C.	Issue	Action	Progress	Deadline	Resp.
S2	Implementation of the National Transport Master Plan / Master Plan for Great Kampala Metropolitan Area. (NTMP/GKMA)	Finalize a report on the Monitoring and Evaluation framework for the NTMP/GKMA.	Framework finalised	June 2012	MoWT
		Procure consultants for MATA study	Financial evaluation of bids completed	September 2012	MoWT
S5	BRT implementation as part of the solution to improve public transport in greater Kampala	Finalise the feasibility study	Consultants secured. Inception report submitted in August 2012	September 2012	MoWT/ KCCA
		Start the detailed engineering design for the pilot Bus Rapid	The design is expected to commence in	September 2012	MoWT/ KCCA

C.	Issue	Action	Progress	Deadline	Resp.
		Transit (BRT)	December 2012		

6.5 MEDIUM TERM PLANS

6.3.1 Committed projects - FY 2012/13

During FY 2012/13 KCCA will continue implementing routine and periodic road maintenance and road rehabilitation works using funds availed by Road Fund and central Government. A total budget of UGX 46.1bn has been allocated for this purpose, to be utilized as shown in Table 6.2

Table 6.2 Priority Road Projects, 2012/13

Description	Budget allocation 2012/13 (UGX bn)	Source of funds	Remarks
Road reconstruction and upgrading (15 roads)	30.5	GOU	Mainly dilapidated tarmac roads
Road Maintenance under Uganda Road Fund (25 roads)	12.5	URF	Mainly periodic maintenance
Emergency/pothole repairs-bitumen roads	3.0	URF	Force account
Road safety enhancement activities (including NMT facilities and road furniture)	0.85	KCCA	
Maintenance of plant and equipment	0.4	KCCA	
Deficit for ongoing contacts carried forward	1.34	GOU	
Routine maintenance of storm water drainage channels	1.2	KCCA	
Installation of street lights, maintenance of traffic signals	1.5	KCCA	

In addition to the above, KCCA will complete the ongoing upgrading of gravel road to bitumen (12 km) and reconstruction of Lubigi Channel (3.6 km) both under the KIIDP. The detailed design of a 3.5 km long Pilot NMT scheme in the CBD will be completed with funding from UN agencies (UNEP and GEF) and IGANGA Foundation (Netherlands).

KCCA is preparing a new Physical Development Plan with funding from KIIDP to be completed in November 2012. The project which involves integrated land use and transport planning has been used to update the Kampala transport demand model and the Kampala transport master plan.

6.5.2 Other Proposed Projects

Development of Selected City Roads and Traffic Decongestion in Kampala City

During FY 2010/11, KCCA and MoWT prepared a programme for Improvement of Roads in Kampala based on prioritisation by multiple criteria analysis. The study report recommended a phased 5-year programme that required an investment of US$ 410 million. KCCA is exploring the possibility to engage in a PPP arrangement with a contractor. The project comprises three lots:

a) Capacity improvement and signalization of 15 key junctions and establishment of a traffic control centre;
b) Rehabilitation of 70 km of existing bitumen surfaced roads, upgrading of 90 km of gravel roads to bitumen standard and renewal of drainage systems and walkways along the project roads;
c) Construction of bus/taxi terminals and provision of park-and-ride facilities at selected locations in the peripherals of the city.

Integrated Public Transportation Project

The public transport system in Kampala has been monopolized by commuter taxis and passenger motorcycles, commonly referred to as bodabodas. The low volume public transport system has led to congestion of city streets and numerous accidents as provision for motorcycles were not provided for in the narrow radial road network. The rapid growth of the city requires a properly planned and integrated transportation system. The project includes the following components:

- an E-W urban highway and light rail transport system along the railway reserve
- a city wide NMT as recommended in the Transport Master Plan
- a water transport system exploiting the Lake Victoria shoreline and major channels
- Bus Rapid Transit
- roll-out of the urban bus transport services to cover the whole city

6.6 CHALLENGES

The main challenges faced by the capital, in terms of roads and transport are:

- *Dilapidated Road Network.* Most of the roads need overhaul as they have outlived their existence and the road repairs tend to be too costly and serve little or no value as new potholes continue to develop.

- *Inadequate Road Network*: The road network in Kampala has limited capacity and was not built for the high volume traffic of recent years that has contributed to severe congestion.

- *Lack of adequate road reserves:* Most roads are unplanned and lack adequate rights of way for improvement. This makes road improvements very costly as the required geometrical designs cannot be achieved without significant resettlement and acquisition of rights of way.

- *Lack of safe NMT facilities:* Although most trips are by pedestrians, there is a lack of pedestrian facilities on most roads. In many cases pedestrians are forced to share carriageways with vehicles exposing themselves to accidents. Provision of walkways and cycle paths is hampered by lack or right of way and limited funding.

- *Lack of an integrated and affordable public transport system:* The public transport system is fragmented and dominated by low capacity minibuses and bodabodas. A mass transit system is needed to serve as the back bone of the transport system in Kampala.

- *Under Funding:* The combined funds available to road construction from Government allocations and KCCA's own resources are insufficient to finance needed infrastructure improvements that address the continuous growth of traffic in Kampala, notwithstanding the current traffic problems in the city.

7. RAILWAYS

7.1 INTRODUCTION

7.1.1 Mandate

Uganda Railways Corporation is a corporate body reporting to the Ministry of Works and Transport. Under the 1992 Uganda Railways Corporation Act, the mandate of the Corporation is: the construction, operation and maintenance of railway, marine and road services both in and outside Uganda, for the carriage of passengers and goods.

7.1.2 Vision and Function

"A modern, safe and sustainably efficient high capacity passenger and freight railway system for both for Uganda and the region"

Its functions are:

a) To carry passengers and goods by rail, road and waterways;
b) To provide transit and terminal stations and port facilities;
c) To provide and use appropriate vehicles, rolling stock and vessels on railways, roads and inland waterways for the carriage of passengers and goods;
d) To store goods
e) To consign goods from and to any place
f) To provide clearing and forwarding services
g) To provide hotels, places for refreshments and other amenities
h) To operate and maintain signalling and telecommunication equipment
i) To construct or improve railways, inland waterways, ports, ferries, roads, bridges and buildings
j) To operate trains and to acquire construct and manufacture trains

7.1.3 Operating Principles

Concession

In line with Government policy, railway operations were conceded to a private operator in 2006. Rift Valley Railways (RVR) is the Kenya-Uganda concessionaire operating freight and passenger services in Kenya, and freight only in Uganda on an exclusive basis.

The joint concession is structured legally as two separate 25 year concession contracts signed by the Governments of Kenya and Uganda with the subsidiary concession companies in their respective countries. RVR runs the railway as a seamless operation with control centralised in Nairobi. The key features of the concession are:

- *Conceded Assets:* All railway core assets, consisting of the railway infrastructure, locomotives and rolling stock; workshops, plant and machinery, marine equipment and maintenance facilities were all conceded. The exception is the closed Kampala-Kasese line and the non-rail marine assets (Port operations and Dry dock)

- *Operational Responsibilities:* The concession covers the provision of freight services over the entire rail network except the closed (and now withdrawn from the concession) Nalukolongo –Kasese section.

- *Maintenance and Rehabilitation:* The concession is responsible for the maintenance and rehabilitation of the conceded assets to specified standards.

- *Payment to Government:* The concession paid to the Government a one off entry fee of USD $2 million. In addition an annual variable fee of 11.1% of gross revenue is payable on a quarterly basis.

- *Expected Investment and Business Growth:* The concessionaire was expected to make a minimum annual investment in Uganda of USD $ 1million for the first five years. The investments were to focus on upgrading and rehabilitating the main railway line and growing the freight volume by 75% by year five and, maintaining it at 60% of GDP growth thereafter.

7.1.4 Operating Assets

Railway Track (Permanent way)

The operational length of the track is 337 and includes the 250 km main line section of Kampala – Malaba, the 55km section of Tororo – Pakwach line between Tororo and Mbale, the 9km Kampala – Port Bell line, the 6km Kampala Nalukolongo section of the Kampala - Kasese line and the 15 km section of the Busoga loop line.

Rolling Stock

A joint RVR and URC census was carried out to establish the actual number of wagons in service and table 7.1 gives the position established by the census. The reduction represents wagons scrapped and surveyed after sustaining serious accidents.

Table 7.1 Rolling stock stand 2012

Rolling stock	2010/11	2011/12
Diesel locomotives	**43**	**43**
Wagons:		
High Open wagons	21	25
Covered wagons	496	490
Fuel tank wagons	202	198
Flat bed container wagons	552	520
Low Open wagons	34	47
Ballast Hopper wagons	51	51
Others (Passenger &Departmental coaches &wagons)	22	22
Total Wagons	**1378**	**1354**

7.2 PERFORMANCE ON GOLDEN INDICATORS

There was minimal change in the Golden Indicators; a 0.5% drop in net/tonne/km from 154.2 million in 2010/11 to 153.5 million in 2011/12 and a 1.1% drop in rail transport volume share from 10% to 8.9 %. However, the freight volume is well below the target set in the concession agreement.

Locomotive productivity improved by 28.8% from 131 to 168 km/loco/day and wagon turn-round (Mombasa - Kampala - Mombasa) went down by 1.8% from 27.1 to 26.6 days, while transit time (Mombasa - Kampala) improved by 29% from 16.2 to 11.5 days average.

The net tonne km decreased in spite of increased gross and net freight tonnage carried because average haulage distance reduced due to increased haulage of Tororo and Mbale and non – operation of the Southern route.

7.3 GENERAL PERFORMANCE OF THE SUB-SECTOR

The review that follows is for the whole sub-sector but mainly focusing on the performance of the RVR Concession. The highlights here include improved performance with concession fees payments, unlocking of capital investment funds from development financing institutions and approval by URC of two RVR investment plans.

During this reporting period a number of Government /development partner funded projects have been undertaken and completed.

7.3.1 Key Performance Indicators

Table 7.2 Freight carriage performance

Indicator	2009/10	2010/11	2011/12	% change 10/11-11/12
Net Tonne- km (000)	124,555	154,227	153,459	-0.5
Net Tonnes	542,112	675,457	686,605	+1.65
Average (Route) km	229.8	228.3	223.5	-2.1

Table 7.3 Other key performance indicators

Indicator	2009/10	2010/11	2011/12	% change 10/11-11/12
Net ton-km(000)	124,555	154,227	153,459	-0.5
Wagon productivity (tkm/wagon 000)	88.9	111.9	116.1	+3.8
Traffic density (000 tkm/km)	363.5	457.6	455.4	-0.5
Cost per tonne-Km (US cents)	12.2	10.2	5.4	-47
Gross revenue (1000 USD)	14,099	17,467	16,770	-3.9
Gross operating costs (1000 USD)	15,170	15,872	8,260	-48
Locomotive availability	42.0	32.5	34.4	+5.8
Wagon turn- round time MSA-KLA-MSA (days)	28.9	27.1	26.6	-1.8
Staff productivity (tkm/Pax/P.A.)	158,467	195,218	195,489	+1.3
Km of rail maintained	337	337	337	0
Km of rail improved /upgraded	0	0	0	0
% total active track length under Temporary Speed Restriction (June)	N.A	41.2	30	-27.2
Number of reported accidents	124	157	270	72.0
Number of fatalities	5	4	8	100

Notes: 1) No of staff for 2010/11 taken as 790 and 2011/12 as 785

7.3.2 Progress on Projects and Other Achievements

Tororo – Pakwach Feasibility Study
The final report was received in January 2011 and now terms of reference are being prepared for the preliminary engineering design study.

Kampala – Kasese feasibility Study
The final report was received in April 2012. Preliminary engineering design is to be undertaken in 2012/13.

KFW –funded Wagon Project
Procurement of wagon spare parts substantially completed by January 2012 and rehabilitation works commenced 1st March 2012 and is expected to last 24 months. By end July 54 wagons had been overhauled.

EATTF - World Bank funded project for rehabilitation of MV. Kaawa and the dry dock
Rehabilitation of the dry dock and the MV Kaawa was completed by 09th August 2012, when the last sea trials took place. Commissioning and hand over to RVR took place in August 2012.

Design of new ship and redesign of Port Bell and Jinja Piers
After initial stalling due to shortage of funds the design study is expected to resume by 1st September 2012.

Design study for the upgrade of Kampala – Malaba line to standard gauge
The study has suffered delays due to budgetary and procurement hurdles. Preliminary engineering design study is now expected to commence by 1st September 2012.

EATTF - World Bank funded design and construction of new rail container terminal (ICD) at Mukono
This project has suffered delays due to changing scope and financing arrangements. Further delays have also been caused by a protracted procurement process. Construction is expected to start by 1st October 2012.

7.4 PROGRESS ON THE ACTION PLAN MATRIX, FY 2011/12

Code	Issue	Action	Progress	Deadline	Responsible organisation
RL1	Rehabilitation of railway lines	i) Commence the design for upgrading of Malaba-Kampala railway line to Standard gauge	Draft contract sent to Solicitor General for August 2012	Sep. 2012	MoWT/URC
		ii) Finalise the feasibility study for rehabilitation and upgrading of Kampala – Kasese railway line	Final Report received in April 2012	Feb. 2012	MoWT/URC
RL2	Revamping of railway marine services	i) Secure funding for refurbishment of MV Pamba	Funding not yet secured	June 2012	MoWT/URC
		ii) Finalise the design for remodelling of Port bell and Jinja piers and a new wagon ferry		Sep. 2012	MoWT/URC
RL3	Railway connection to Southern Sudan and Tanga – Musoma	i) Develop ToRs for procurement of a consultant to undertake a feasibility study for Gulu- Atiak -Nimule railway line	ToR prepared and final draft ready for adoption by SWG August 2012	Feb. 2012	MoWT/URC
		ii) Establish a Project management Unit for the Tanga- Arusha- Musoma - Bukasa line	PMU in place May 2012. Uganda counterpart appointed	Sep. 2012	MoWT/URC

7.5 MEDIUM TERM PLANS

7.5.1 RVR Investment Plans

Replacement of Armco pipe culverts on the Jinja - Busembatya section
This USD $4.9 million project involves the replacement, due to expire of existing life and bad corrosion, of galvanised corrugated iron pipe culverts with larger and higher capacity concrete ones.

In all there are nine batteries of four culverts each to be replaced between Magamaga and Busembatya. Installation of these culverts will allow the line to 25 tonne axle loads up from 18 tonnes thereby facilitating the use of higher capacity locomotives that can carry longer trains. The project commenced in May 2012 and is expected to be concluded by end of October 2012.

Overhaul and Rehabilitation of Diesel Locomotives.
URC has approved an investment plan by RVR to overhaul and rehabilitate eight diesel hydraulic locomotives at the cost of $ 3.7 million. This will address deferred maintenance and improve reliability and availability of the locomotives while prolonging their life.

Another plan yet to be submitted is expected to address broken down or accident damaged locomotives that are now parked.

7.5.2 Other Key Plans

Rehabilitation and Upgrading of Kampala – Kasese line
Following the completion of the feasibility study of the Kampala – Kasese line, preliminary engineering design will now be carried out in 2012/13. The study will take 16 months starting March 2013 and is expected to cost $ 3.9 million

Minimum Rehabilitation of Tororo – Pakwach line
The government plans to rehabilitate the Tororo- Pakwach line with full upgrading to standard gauge.

As the full upgrade option (involving standard gauge) clearly depends on connecting to an upgraded main line (Kampala – Malaba), and in order to answer the pressing logistics needs of oil exploration and production in the Northern Albertine fields it is planned to do a minimum rehabilitation program that will open the line with a relatively good level of safety and efficiency but with lower performance parameters. The gauge will be maintained at 1000 mm and maximum axle loads will be 23 tonnes. The gradients and alignment will also be maintained as they are. Bridges and culverts will be reinforced and stone ballast will be introduced. Detailed study and tender documentation is planned for this year, 2012/13, and is expected to take 6 months starting March 2013. The cost for design, tender documentation and project supervision is estimated at USD $ 10 million. Rehabilitation works to start March 2014 and last 18 -24 months.

Feasibility Study for the Gulu- Atiak – Nimule line
Preliminary design and feasibility study is to be undertaken in 2012/13. Terms of reference are being finalised and procurement should be completed by December 2012.

7.6 CHALLENGES AND PROPOSED MITIGATION MEASURES

	Challenge	**Proposed Solution**	**Recommendation**
1	An ageing skilled human resource. An estimated 80% of the highly skilled work force is above 50 years old.	Recruitment and accelerated education of graduates and technicians.	Advanced skills in railway technology will be imparted through strategic partnerships with local and foreign educational and training providers
2	An antiquated infrastructure	Studies and plans to upgrade the network to standard gauge have been embarked on	
3	Unequal treatment of rail on one hand and road and air on the other regarding infrastructure development	In the long term a policy should be developed to delink infrastructure development and maintenance from rail	An informed basis would be provided by an intermodal rail/road study. The study would analyse the future potential and

	Challenge	Proposed Solution	Recommendation
	and maintenance Whereas railways contributes to road maintenance through the road maintenance levy on fuel, they have no share of the road fund.	operations; and with targets for share of bulk transport by rail In the interim Government will be asked to invest substantial funds in rail infrastructure development, rehabilitation and upgrade	current shortcomings of the rail transport mode in competition with roads, including proposing costed investment options. It should be part of the proposed Transport Sector Investment Plan
4	Inadequate legal and regulatory framework for rail transport development and management	Press for the passing of a new railway law recognising and providing for the new mandate and roles.	A draft bill is under discussion but it needs to be speeded up.

8. CIVIL AVIATION

8.1 INTRODUCTION

8.1.1 Mandate

CAA was established by an Act of Parliament in 1991, CAP 354, with the principal objective of promoting the safe, regular, secure and efficient use and development of civil aviation inside and outside Uganda.

8.1.2 Vision and Function

The Authority is guided by its vision, mission and core values in pursuing its mandate:

a) *Vision Statement:* To promote the safest, most efficient and affordable air transport system in Africa and beyond.
b) *Mission Statement:* To maintain the highest standards of safety, security and service in civil aviation.
c) *Core Values:* Accountability, Flexibility, People Centeredness, Passion for Technology and Quality of Services.

8.1.3 The Four Core Businesses

- **Advisory to Government**

  a) On policy matters concerning civil aviation generally; and
  b) With regard to international conventions relating to civil aviation and the adoption of measures necessary to give effect to the standards and recommended practices under those conventions.

  c) Any other functions that may be conferred on CAA by the Minister or any other law.

- **Regulating Safety, Security and doing business in Air Transport**

  a) The licensing of air transport
  b) The designation of domestic and international air carriers
  c) The provision of facilities and services in relation to the investigation of aircraft accidents and incidents
  d) The registration of aircraft
  e) The safety regulation of civil aviation
  f) The control of air traffic
  g) The certification of operators of aircraft
  h) The licensing of civil aviation personnel
  i) The licensing of private aerodromes
  j) The publication and dissemination of all regulations pertaining to civil aviation

- **Managing Major Airports**

  a) The designation of domestic and international air carriers

b) The establishment, maintenance, development, operation and ownership of aerodromes

c) The provision of rescue and fire fighting services at aerodromes
d) The provision of assistance and information, including aeronautical information services
e) The coordination and direction of search and rescue services
f) The provision, in conjunction with other agencies of Government, including the military, of arrangements to prevent or deal with all unlawful interferences with aviation security (including passenger screening) in Uganda

- **Air Traffic and Navigation Services**

a) The provision of air navigation services
b) Control of air traffic services
c) The provision of assistance and information, including aeronautical information services
d) The coordination and direction of search and rescue services
e) The provision of meteorological information to aircraft

8.1.4 Assets

The Authority owns and operates Entebbe International Airport (EIA), where air traffic is concentrated, and Thirteen (13) other national airports namely; Arua, Gulu, Soroti, Kasese, Kisoro, Jinja, Kidepo, Lira, Pakuba, Tororo, Masindi, Mbarara, Moroto. Government gazetted Kasese, Arua, Gulu, Pakuba and Kidepo aerodromes as points of entry / exit for international flights for purposes of promoting the tourism industry.

Thus the key assets owned by CAA are the national airports mentioned above and their associated infrastructure, facilities and equipment. These include among others:

a) Runways and taxiways
b) Aprons (aircraft parking space)
c) Communication, Navigation and Surveillance equipment (e.g. Air Traffic Control Radar, Control Tower)
d) Passenger and cargo terminal buildings
e) Approach equipment (e.g. Instrument Landing System)
f) Search and Rescue equipment (e.g. Rescue boats)
g) Fire Fighting equipment (e.g. Fire trucks)
h) Car Park infrastructure and equipment.

8.1.5 Five Year (2012/13 – 2016/17) Strategic Plan Highlights

CAA is required, by the CAA Act (CAP 354), to prepare a Five Year Rolling Business Plan each year.

Medium Term Policy Goals
In the medium term, the air transport sub-sector will continue to pursue the following main sector policy objectives:

i) To facilitate and promote tourism development
ii) To provide adequate and suitable infrastructure to facilitate and promote export of perishable fresh agricultural produce and light industrial goods
iii) To provide linkages with other modes of transport as part of the national and regional inter-modal transport system
iv) To promote and attract investments in key facilities that support the air transport industry.
v) To facilitate humanitarian and relief services in the country and the region as a whole.
vi) Promote and support environment protection.

Medium Term Corporate Objectives
CAA will continue to be committed to the cardinal goal of tirelessly transforming Entebbe International Airport (EIA) into a modern competitive international airport and a hub for air traffic. The policies and medium term corporate objectives to be pursued in order to achieve the above goal will be:

i) To enhance safety in the industry
ii) To enhance security in the industry
iii) To improve capacity utilization of the existing airport infrastructure and meet demands of growing air traffic in Uganda
iv) To promote competitiveness of Uganda's civil aviation industry
v) To enhance the sustainability and revenue growth of CAA
vi) To promote quality management and assurance
vii) To enhance management and development of CAA's Human Resource.

The Authority will continue to promote competitiveness as the core short and medium term corporate objective for this planning period.

Key Medium Term Planned Activities
The following are key projects planned for implementation within the five year period – 2012/13 to 2016/17:

i) Development of Uganda's 20-year (2012-2031) Civil Aviation Master Plan (CAMP) with technical assistance from International Civil Aviation Organization (ICAO)
ii) Expansion of Apron 1, at EIA, to accommodate additional 11 aircraft parking bays
iii) Relocation of the current cargo facility to a new modern cargo centre on former MAAIF land to create space for expansion of the current passenger terminal building
iv) Expansion and remodeling of the existing passenger terminal building at EIA (for both Departures and Arrivals areas)
v) Expansion of the existing airport car parking facility, including construction of a new storeyed parking facility, at EIA
vi) Aviation Fuel project at EIA
vii) Construction of an aircraft maintenance centre
viii) Strengthening of Runway 12/30
ix) Upgrade of Kasese, Arua, Gulu and Kisoro
x) Construction of a Domestic Terminal
xi) Redesign and re-equip the Control Tower
xii) Replace aging NAVAIDs at EIA
xiii) Replace Portbell NDB.

8.2 PERFORMANCE ON GOLDEN INDICATORS

The performance of the air transport sub-sector is usually measured by the changes in traffic volumes (passengers, cargo, aircraft movements and over-flights). Table 8.1 shows the 2011/12 air traffic performance, for EIA, compared to 2010/11 for the Golden Indicators. Over-flights, which is not a Golden Indicator increased from 10,625 in 2010/11 to 13,648 in 2011/12; an increase of 128%.

Table 8.1 Performance on Golden Indicators

Indicator	2010/11	2011/12	% Change
Commercial aircraft movements	24,051	27,732	115
International passengers (excluding transit)	1,048,507	1,178,728	112
Domestic passengers	10,927	10,143	93
Exports (tonnes)	26,444	31,842	120
Imports (tonnes)	20,221	21,408	106

The target for Domestic Passengers was not met mainly due to improved security in the North as well as improved roads to most of upcountry places. In addition, the economic base is too to enable nationals use air transport. The travelling public has, as a result, resorted to road transport which is cheaper. This trend is expected to reverse as a consequence of Government's increased priority on the tourism sector.

8.3 TEN YEARS TRAFFIC PERFORMANCE

Table 8.2 Trends in air traffic 2002 - 2011 at EIA

Year	International Passengers		Domestic Passengers		Transit PAX	Total Passenger	Cargo (Tonnes)			Aircraft Movts.
	Depart.	Arrivals	Depart	Arrival			Export	Import	Total	
2002	182,003	180,072	16,898	16,920	26,757	422,650	21,454	13,030	34,484	14,523
2003	207,846	208,851	21,787	22,596	31,759	492,839	23,515	12,485	36,000	17,361
2004	237,857	237,869	21,437	21,918	24,509	543,590	33,473	14,420	47,893	16,692
2005	277,546	274,307	19,087	19,837	33,107	623,884	38,231	14,180	52,411	17,253
2006	321,952	321,378	15,811	16,812	35,692	711,645	37,463	14,775	52,238	19,381
2007	389,058	392,370	12,196	13,703	34,497	841,824	40,837	22,882	63,719	21,892
2008	465,787	470,397	10,867	12,205	37,926	997,182	37,693	21,297	58,990	23,847
2009	460,153	468,899	8,721	9,188	49,434	996,395	32,726	19,916	52,642	21,619
2010	504,646	518,791	5,875	6,004	75,560	1,110,876	27,751	21,343	49,094	23,320
2011	533,705	551,904	4,676	4,832	71,879	1,166,996	27,923	20,713	48,636	24,506

8.4 GENERAL PERFORMANCE DURING FY 2011/12

8.4.1 Service Quality Improvement Measures

Quality service is one of the five CAA's core values which are detailed in the business plan under the medium term corporate objectives of the Organization. In its implementation, a Quality Assurance Department was established. This has caused gradual improvement in quality of services and productivity

8.4.2 Passenger Facilitation

Passenger facilitation, a concept which caters for efficiency in handling airlines, passengers and cargo, forms a big part of the airport business worldwide. In accordance with the ICAO Annex 9 Recommended Standards and Practices (SARPS), CAA on behalf of Uganda has been involving all airport operators to collaborate with their respective counterparts within the Sister Organisations of the EAC partners States. This has been done Bi- annually to in order to have harmonised procedures in the Region.

8.4.3 Automated Car Parking System

Public car parking is one of the major non-aeronautical revenue sources for airports. Until 2009, CAA was using a private firm to run and manage this service. The parking system was automated and it is now managed directly by CAA. During FY 2011/12, car parking at EIA as well as non-aeronautical revenue to CAA has incrementally risen. The Organization has plans to construct a multi-storey car park to enhance capacity and revenue to CAA.

Automated Car park

8.4.4 Enhancement of Jet A1 Storage Capacity

Following the forecasted growth in demand for fuel demand for fuel uplift, CAA in conjunction with Oil Companies operating at EIA embarked on the construction of an additional Jet A1 storage tank (3million litres). It is planned to be commissioned in the second quarter of next Financial Year (2012/13). This will increase the Jet A1 storage capacity at EIA from 4.6 to 7.6 million litres. This capacity will support 20 days, airlines requirements at an average of 350,000 litres per day.

In addition, CAA has plans to construct a holding area for at least 50 trucks to provide fuel on wheels. However, in the long term, the fuel farm will be relocated to a new place away from near the terminal building and the airside for security and safety reasons.

8.4.5 Arua Passenger Terminal Building

Phase 1 construction of the Arua passenger terminal building is at 98% complete. Procurement process for works under Phase 11 which comprises air side infrastructure had been awarded and was awaiting clearance by Solicitor General by close of the year. The process of acquiring more land for the expansion of the airport commenced and consultations for compensation of current occupants are ongoing.

Land acquisition exercise: Consultations with the Local leadership and the Community at Arua Airport, in the background is the New Terminal building under construction.

8.4.6 New Air Operators

CAA has been actively involved into marketing Uganda to potential airline entrants. One of the efforts has been participation in World Routes meetings and workshops. This brings air carriers, CAAs and Airport Authorities together for business networking. As a result of this initiative, the following new carriers started operations into and out of EIA during the period under review.

- Qatar Airways (14)
- Fly540 (9)
- Turkish Airlines (4)
- African Express Airways (3)
- NAS AIR Eritrea (2).

8.4.7 Increased Frequencies by Current Air Operators

The following air Operators increased their weekly frequencies as follows:

Airline	**2007/8**	**2011/2012**
Air Uganda	20	44
South African Airways	4	7
Egypt Air	1	5
KLM	4	6
British Airways	3	5
Rwanda Air	9	20

8.4.8 Safety and Security Enhancement

Safety

The Air Navigation Services through Air traffic controlling, support of navigation services as well as providing information to air operators were all made on a day to day basis. Similarly, inspections in order to ensure compliance by air operators and the crew were periodically carried out as planned.

Airport operations particularly in the areas of airfield and apron safety were maintained.

To enhance safety in the industry, CAA has established a Safety Management Systems Department in its Organizational Structure. A safety management systems manual was developed and all stakeholders operating at the airport have also set up or reviewed their safety management systems. Every Organization operating at the airport is required to have a safety officer to oversee the system.

Security

An inter-security Agency headed by Inspector General of Police (IGP) was formed. Its purpose is to give guidelines for harmonised day to day joint security operations at all Aerodromes in the Country. In addition, the National Aviation Security Committee chaired by CAA was commissioned in compliance with Annex 17 of ICAO Chicago convention. Its purpose is to assess the implementation of decisions that are carried out under the National Aviation Security Programme (NACP).

In recognition of the trust the international community has for the Civil Aviation Industry and Aviation expertise in Uganda, in March 2012, the following two ICAO regional safety related meetings were held in Kampala;

- the Eighteenth meeting of the AFI Planning and Implementation Regional Group (APIRG/18) and
- the First meeting of the AFI Regional Aviation Safety Group (RASG-AFI/1

8.4. 9 Power Supply Upgrade

During the year, the following interventions in order to maintain reliable power supply at EIA were planned and implemented.

- Power supply was upgraded from 600KVA to 1250KVA. The upgrade project was contracted to Car & General Uganda Ltd, the authorized representative of CUMMINS Power Generating Systems (UK) at a cost of USD526,000. This was commissioned in March 2011.
- Two high voltage transformers were upgraded from 500KVA to 1,500KVA whereas the remaining two transformers were upgraded to 1,000KVA
- In September 2012 standby power supply of 1250 will be synchronized with the existing 1250KVA at a cost of USD 800,000 under the Uganda at 50 programme.

8.4.10 Airport Charges

Based on allegations by some Airlines operating in and out of EIA to the Presidential Round Table (UPRT), that EIA is the most expensive in the EAC Region. A joint taskforce was formed comprising Officials from Uganda Investment Authority, CAA and Air Uganda to visit major airports in the region and be able to establish facts on the ground. The taskforce completed its work and it was established that charges at EIA are competitive in the region and in some cases Entebbe is the cheapest.

8.4.11 National Civil Aviation Master Plan (NCAMP)

CAA through ICAO Technical Bureau is to carry out a new National Civil Aviation Master Plan. Its consultancy is planned to start in the 2nd quarter of 2012/13. The master plan will guide all major civil aviation investments in the country.

8.4.12 Revival of the National Airline

The proposal to revive the National Airline for Uganda was tabled before the Ministry of Works and Transport. This concept has been accepted by the Ministry and it is being considered.

8.5 PROGRESS ON THE ACTION MATRIX

i) *Finalize the master plan for Kasese Airport:* Master Plan was completed in Dec 2011.
Government decided to upgrade Kasese to international Airport status. In response, CAA has already acquired additional land and also completed the master plan as well as detailed engineering designs. Implementation will require investment outlay of USD 42million dollars.

ii) *Finalize the master plan for Gulu Airport:* Master Plan was completed in Jan 2012.
Government has designated Gulu as the hub for Northern Uganda. Similarly the master plan and detailed engineering designs were carried out and also completed. The Master plan envisages additional land acquisition and implementation which will require an estimated investment outlay of USD 61 million dollars.

iii) *Finalize the review of Investment Plan for Entebbe International Airport:* Preliminary in-house preparations were completed. These recommended an overall National Civil Aviation Master Plan consultancy that will guide the aviation investment in the Country. This consultancy is slotted to commence in September 2012.

8.6 PLANS FOR 2012/13

The strategic initiatives for the first year of the Five Year (2012/13 – 2016/17) Rolling Business Plan are intended for further enhancement of competitiveness, efficiency and effectiveness of the industry as well as revenue growth for CAA. These are as follows:

i) Development of Uganda's 20-year (2012-2031) Civil Aviation Master Plan (CAMP) with technical assistance from International Civil Aviation Organization (ICAO)
ii) Commence studies and designs of :-
   - Expansion of Apron 1, at Entebbe International Airport (EIA), for additional 11 aircraft parking bays
   - Relocation of the current cargo facility to a new modern cargo centre on former MAAIF land to create space for expansion of the current passenger terminal building
   - Expansion and remodelling of the existing passenger terminal building at EIA (for both Departures and Arrivals areas)
   - Construction of an Aircraft Maintenance Centre
   - Strengthening of Runway 12/30 and its lengthening by additional 1 Km
   - Multi- Storey Car Park

iii) Aviation Fuel Project at EIA
   - Commissioning of an additional fuel tank under construction
   - Creation of a holding area for 50 fuel trucks to enable storage on wheels

iv) Continuation of implementation of ICAO USOAP and USAP (Universal Safety Oversight Programme and Universal Security Audit Programme) corrective action plans
v) Pursue the establishment of a strong National Airline
vi) Initiate the process of acquiring enough land for future airport development
vii) Initiate the process of acquiring a suitable site (land) in Kampala for a municipal / city airport
viii) Host Routes Africa to attract airline operations to Uganda
ix) A study for further staff productivity
x) Implement the Procurement Management System.

8.7 CHALLENGES

The main challenges that still hinder the civil aviation industry growth in Uganda are:

- Inadequate land for the proposed airport expansion projects, particularly at Entebbe International Airport.
- Lack of a strong National Airline that would facilitate the development of Entebbe International Airport (EIA) into a hub.
- Unfavourable taxation attempts that contravene international conventions, agreements and policies. This includes corporate tax and VAT on airport passenger service charge; and taxes on equipment used in search and rescue services, provision of security services, aircraft accident investigation, and rescue and fire fighting services.
- Heavy burden of maintaining non-commercial services especially the upcountry aerodromes
- High price of aviation fuel as compared to airports in neighbouring countries
- Dwindling fish stocks in Lake Victoria which affect exports through EIA. The fish share of exports was 11,627 tonnes in 2010/11 and 12,478 tonnes in 2011/12. This amounts to 44% of all exports in 2010/12 and 39% in 2011/12.
- Security threats by terrorist groups, both regional and international.

9. INLAND WATER TRANSPORT

9.1 INTRODUCTION

9.1.1 Mandate

The mandate of the Department of Transport Services and Infrastructure, and thereby the Inland Water Transport is to develop, improve and modernize transport services and infrastructure for socio-economic development of the country.

The vision is to have reliable and adequate transport services and infrastructure that will deliver timely, quality, cost effective and sustainable services to the people of Uganda.

9.1.2 Services

The inland water transport system currently has three main components:

I. Wagon ferry services on Lake Victoria between ferry terminals of the three East Africa countries, now including terminals at both Port Bell and Jinja.

II. A number of short-distance road vehicle ferries across rivers and lakes, acting as 'road bridges' between adjacent parts of the road network.

III. Other lake and river services which, apart from a regular shipping service between Nakiwogo (near Entebbe) and Lutoboka on the Ssese Islands, are generally informal sector operations by individually owned motorised canoes.

Wagon ferries

MV Kaawa – Re-Commissioned August 2012

Ugandan wagon ferries were included in the railway concession from November 2006, and are, therefore, now being operated by Rift Valley Railways (RVR). The terminals at Port Bell and Jinja were originally ceded to the concessionaire but returned to URC during the amendment of the Concession. Provision of US$ 3.75 million was made under an IDA project for the rehabilitation and upgrade of MV Kaawa.

Ferries

Besides the wagon ferries, the only other formal service is a regular ferry, the MV 'Kalangala', recently introduced between Nakiwogo, near Entebbe, and Lutoboka in the Ssese islands. This carries vehicles as well as passengers and cargo.

Private operators

Informal services are provided on lakes and rivers by private operators in motorised canoes; mostly open boats of about 15-passenger capacity, which carry passengers, livestock and goods across lakes and on rivers, especially the Albert Nile between Pakwach and Nimule. These vessels are often grossly overloaded, which endangers the passengers with serious marine accidents.

Besides the main lakes (Victoria, Kyoga and Albert) and the Nile, informal services are also operated on the smaller waterways, including Lakes Edward, George, Bunyonyi and Bisina, and the Semliki, and Kafu rivers.

9.1.3 Strategic Priorities

- Continued wagon ferry services on Lake Victoria;
- Short-distance lake and river ferry crossings;
- New ferry crossings over Lake Kyoga;
- Revived services across Lake Albert;
- Transport on the Albert Nile north of Pakwach

9.2 PERFORMANCE ON GOLDEN INDICATORS

Passenger traffic in FY 2011/12 on the Entebbe – Kalangala service on Lake Victoria, was 74,900. No data were available for FY 2010/11.

URC has taken over management of the ferries through Port Bell and Jinja, and consistent data on passenger traffic will be from 2012/13.

9.3 GENERAL PERFORMANCE IN FY 2011/12

The need for updating the legislation for inland water transport involved the following preparatory activities:

- It was agreed that a high level task force should oversee implementation of inland water transport interventions
- The process of reviewing the existing legislation started in September 2011. Terms of Reference were prepared with the assistance of World Bank.

9.4 PROGRESS ON THE ACTION PLAN MATRIX, FY 2011/12

- Procurement of the consultant for production of a white paper on the legal and institutional framework for inland water transport is not yet complete. An evaluation of bidders has been undertaken.
- The consultant to prepare investment plan for improved connectivity of islands in Lake Victoria is expected to commence work later this year. The plan will include a concept note for a long term strategy and development plan for improved services.

9.5 MEDIUM TERM PLANS

The following key projects are planned for implementation within the five year period 2011/12 - 2015/16:

i. Improvement of port facilities at Portbell and Jinja piers.
ii. Replacement of MV Kabalega.
iii. Improvement of ferry services on the already existing routes.
iv. Carry out a feasibility study on improvement of Transport services and Infrastructure on the islands of Lake Victoria and the mainland.
v. Feasibility Study to introduce ferry services between Butiaba to oil fields in Albertine catchment area on Lake Albert.

vi. Feasibility study to introduce a second ship between Nakiwogo to Lutoboka landing sites on Lake Victoria
vii. Rehabilitation and upgrade of MV Pamba

Future targets:

a) New Inland Water Transport Act (2/3 years)
b) Maritime administration reform (3/4 years)

9.6 CHALLENGES

The key challenges faced by the sub-sector are:

- Shoreline infrastructure is largely basic and dilapidated, with many ports and landing sites having never recovered from the serious flooding of the mid-1960s; land access to landing sites is often poor and remote; water access to landing sites is also sometimes poor, especially where lakes or rivers are affected by water hyacinth.

- Vessels are often in poor condition, including those Ugandan wagon ferries which were withdrawn from service pending rehabilitation, thus greatly reducing overall ferry capacity on Lake Victoria.

- Performance of wagon ferries has been constrained by the slow take-off of the railway concession.

- There is a long history of poor and unreliable service at most of the 'road bridges' across lakes and rivers around Uganda, though this is improving with more professional management by UNRA.

- Overloading of vessels frequently occurs, leading to often fatal accidents on the lakes and rivers; development of a regulatory framework for licensing vessels and operators is needed; capacity constraints result in poor enforcement of water transport standards and legislation.

- Navigation routes are archaic and need to be re-surveyed; Navigation aids are often damaged or missing. If existing, they may no longer mark the most appropriate channels.

- Search and rescue capacity on the waterways is poor.

PART C - REGULATION AND POLICY

10. ROAD TRAFFIC REGULATION

10.1 INTRODUCTION

Road transport carries about 90% of goods traffic in the country, and over 99% of passengers. All commercial passenger and goods are transported by the private sector.

The Ministry's Department of Transport Regulation develops policies, laws and regulations. For road transport, regulation is undertaken in accordance with Traffic and Road Safety Act, 1998. This includes licensing and inspection of vehicles.

10.2 PERFORMANCE IN 2011/12

Performance on laws, policies and strategies were as follows:

Road Safety
A draft National Road Safety Policy and Strategy was finalized following a major consultative workshop in November 2011. The policy covers:

- Road safety status
- Institutions involved in road safety in Uganda
- Issues in road safety
- Road safety vision and goals
- Road safety policy statements
- Investment strategy, costs and action plan

The proposed investments are for short-term (1 – 3 years) medium-term (4 – 6 years) and long term (7 – 9 years). In the short term it is proposed to establish a lead agency, in the form of a National Road Safety Authority to tackle issues of road safety.

Drafting Principles for the establishment of a National Road Safety Authority were prepared. The proposed Authority is intended to spear head and coordinator road safety activities in the country.

Axle Load Control Policy
The Axle Load Control Policy study was undertaken and a major stakeholders Workshop was held on 1st December 2011 to review the draft final report of the Consultant. The Ministry held discussions with UNRA to harmonize issues between the Consultant, the Ministry and UNRA.

Traffic and Road Safety Act
The process to review the Traffic and Road Safety Act, 1998 was initiated. Terms of Reference were prepared with the assistance of World Bank. A shortlist and Request for Proposals (RFP) document were prepared and approved. The RFP document was issued to shortlisted firms by the end of the FY

2011/12. The deadline for submission of proposals was set at 30th July 2012. The revised legislation is meant to strengthen traffic and road safety management as well as enforcement by taking care of emerging trends and institutional reforms.

Regulations on Vehicle Reflectors were gazetted on 16th March 2012.

Regulations on vehicle registration, licensing and third party insurance were revised take into account online registration of motor vehicles by URA. The Revised regulations were signed in June 2012 by the Minister of Works and Transport . Implementation of online registration (e-registration) was scheduled to be launched in July 2012.

Regulations for driving tests and special provisions for drivers of PSVs and Goods Vehicles were gazetted on 8th June 2012.

Licensing and Inspection

17,005 Passenger Service Vehicles (PSVs), 256 Inland Water Vessels were inspected and 86 operators licensed, licences issued during 2011/12 Financial Year. 151 driving schools were inspected and registered. 5 regional road safety awareness campaigns were conducted in Kampala, Mbarara, Masaka, Mbale, Gulu. Axle control monitoring surveys were carried out particularly along the Northern Corridor and feeder links from Northern Uganda.

10.3 PROGRESS ON ACTION PLAN MATRIX, FY 2011/12

a) *Road Safety:* The draft National Road Safety Policy was finalized and a Cabinet Memo was subsequently prepared and was reviewed before submission to the Cabinet Secretariat.

b) *Creation of National Road Safety Authority:* Drafting Principles for a Bill for the establishment of the National Road Safety Authority (NRSA) were prepared and submitted to Cabinet in June 2012 for their review and allocation of a Cabinet Minute Number.

c) *Policy on the Non Motorised Transport:* A draft NMT policy was approved by the Sector Working Group in August 2012.

d) *Improved Axle Load Control:* The draft Axle Load Control Policy study has been prepared and agreed with UNRA. It will be submitted to Cabinet in October 2012.

10.4 FUTURE TARGETS

a) Finalization of road safety policy and strategy; axle load control policy and strategy (1 year)
b) Creation of Uganda National Road Safety Agency (2/3 years)
c) New Traffic and Road Safety Act (2/3 years).
d) Creation of Multi-Sectoral Regulatory Authority (3/4 years)

10.5 CHALLENGES

Road Safety

The cost of road accidents consumes about 2.7% of the Country's GDP in terms of losses of life and property. This is equivalent to the proportion of the GDP spent on the road sector. The challenge is being tackled by way of:

- Increased sensitization
- Review of legislation

- Strengthen enforcement within Ministry of Works and Transport, Transport Licensing Board, Police and Uganda National Roads Authority (UNRA) for Axle Load Control.
- Improvement of infrastructure (road signs and markings)
- Vehicle inspection to ensure road worthiness
- Creation of a lead agency (National Road Safety Agency) and other institutional reform.

Axle Load Control
This is still a big problem on the country's road network and is getting worse. The enabling policy and strategy will be finalized. Domestication of the proposed EAC Axle Load Control Act will be done through revisions to the Traffic and Road Safety Act.

Traffic Congestion
This is a big challenge particularly on the Road Network in the Greater Kampala Metropolitan Area (GKMA). There is need to co-ordinate various initiatives being undertaken by the Ministry, that of Local Government, KCCA, Police, UNRA and the private transport operators, and to regulate and enforce more effectively.

11. PUBLIC WORKS

11.1 INTRODUCTION

The department comprises the office of the commissioner and four divisions: Architectural, Quantity Surveying, Electrical Engineering and Civil /Structural Engineering Divisions.

11.1.1 Mandate

The mandate of the department is to manage Public Works including government Public buildings as well as to promote good standards in the construction industry.

11.1.2 Functions

The key functions of the department are:

a) Initiating and developing feasibility studies, terms of reference, works standards, and specifications for building construction and repair works;
b) Providing technical, advisory and supervisory services to central Government, Non-Government Organisations (NGOs), Community Based Organisations (CBOs) and the Public;
c) Preparation and or ensuring of architectural and engineering designs, details, bills of quantities, solicitation/ tender documents, costs and time control and analysis, final accounts for Government building projects so as to ensure observance of buildings regulations and standards;
d) Supervision and monitoring construction works of Government building undertaken by consultants and contractors;
e) Ensuring structural safety of buildings and presentation of the related environment as well as catering of requirements of people with disability;
f) Ensuring quality standards of buildings and construction materials in the construction industry through supervision of works to ensure conformity with the set standards;
g) Ensuring safe electrical installations in the country through dissemination of information and testing of installation;
h) Providing technical support services to local Government so as to facilitate capacity building;
i) Promoting the development of local contracting capacity through ensuring their participation in contract participation;
j) Ensuring safe an effective installation of water, plumbing and drainage in buildings through supervision and testing for compliance;
k) Monitoring and evaluating the implementing of national policies, plans and programmes for safe and efficient work;
l) Initiating and reviewing laws and regulations on works;
m) Enforcing compliance to national policies, laws, regulation strategies and guidelines on works;
n) Monitoring and evaluating the performance of statutory bodies under the ministry; and
o) Providing technical support for contract works, including construction and maintenance undertaken by other Government Ministries, Departments and Agencies.

11.2 PERFORMANCE IN FY 2011/12

A number of building contracts were supervised including construction works at State House Entebbe, Kyabazinga's Palace, Gen. Tito Okello's House in Kitgum, office block to house Office of the President, Soroti Civil Aviation Academy, Arua Materials Laboratory, fishing landing sites, upcountry Police Stations and Central Mechanical Workshops – Kampala.

11.3 CHALLENGES

The Department is addressing the many requests from MDA's with existing staff resources. There is need to increase THE number of staff by Ministry of Public Service and need for staff training on application of PPDA and other regulations.

12. CONSTRUCTION STANDARDS AND QUALITY MANAGEMENT

12.1 INTRODUCTION

The Department comprises two Divisions and an Environmental Liaison Unit (ELU). The Quality Assurance Division and ELU are located in Entebbe while Materials Testing and Research (MTR) Division is located at Kireka in Kampala. The MTR Division has upcountry materials testing laboratories in Arua, Gulu, Mbale, Jinja, Mbarara, and Fort Portal.

12.1.1 Mandate

The mandate of the department is to:

- Develop adequate engineering specifications and standards;
- Promote good standards in the construction industry;
- Undertake research and materials testing in the construction industry; and
- Promote integration of crosscutting issues namely; Environment, Climate change, Gender, HIV/AIDS, Occupational Health and Safety and Disability in the sector;

The core principles of work include the following: Adhering to defined rules, standards and guidelines of the respective disciplines, exhibiting professionalism, competence and honesty.

12.1.2 Function

The Department is responsible for the following key functions:

a) Monitoring implementation of the Ministry's Quality Management (Business Excellence) System in all Departments;
b) Undertaking technical and management audits on road and building construction and maintenance programmes and projects;
c) Coordinating the development and strengthening of the National Construction Industry (NCI);
d) Developing and reviewing Engineering Specifications, Standards, Manuals and Guidelines;
e) Testing construction materials and carrying out quality control at construction sites to ensure compliance with specifications;
f) Carrying out geotechnical investigations to establishing ground (soils) conditions at construction sites;
g) Carrying out road pavement evaluations to determine pavement conditions relevant for planning and designing maintenance and remedial measures;
h) Carrying out research activities on construction materials aimed at promoting their usage, e.g. by developing appropriate specifications and guidelines; and
i) Ensuring Integration of Environmental, Climate change, Gender, HIV/AIDS, Occupational Health and Safety and Disability concerns in the Sector.

12.2 PERFORMANCE IN 2011/12

12.2.1 Operationalisation of the National Construction Industry Policy

Government launched The National Construction Industry (NCI) Policy on 6 May 2011 aimed at improving coordination, regulation, and development of the National Construction Industry. Further the Policy aims at putting in place an effective institutional framework to address the current weaknesses in the construction industry.

In the last financial year, certificate of financial and legal clearance was obtained from Ministry of Finance, Planning and Economic Redevelopment and Ministry of Justice and Constitutional Affairs respectively. Cabinet Memo has been submitted to Parliament for Approval.

The work being carried out by CrossRoads project is consistent with the provisions of the National Construction Industry Policy and creates a foundation that the proposed Uganda Construction Industry Council could build on once it is set up and becomes operational. Section 12.3 below outlines the concept and progress of the project.

12.2.2 Legislation

The Roads Act (1964), Chapter 345, was enacted to provide for the establishment of road reserves and maintenance of roads while the Access to Roads Act, Chapter 346 (1964), relates to access to roads. The two Acts are being amended to take into account changes in technology and current requirements in the development, maintenance and management of roads.

The process to amend the Act commenced in 2010. Draft Principles were submitted to the Ministry of Justice and Constitutional Affairs for review prior to submitting them to Cabinet and the following have been done in 2011/12.

a) Certificate of financial Clearance has been obtained from Ministry of Finance, Planning and Economic Development ((MoFPED);

b) Certificate of legal clearance is yet to be obtained from Ministry of Justices and Constitutional Affairs (MoJCA); and

c) Cabinet Memo submitted to Parliament awaiting certificate of legal clearance from MoJCA.

The Ministry is also pursuing an amendment to the Engineers Registration Act, and the Uganda Construction Industry Council Bill.

12.2.3 Mainstreaming of Cross-cutting Issues in the Sector

The Environmental Liaison Unit (ELU) of the Ministry was established in 2001. The Unit is responsible for mainstreaming of cross-cutting issues (gender, environment, HIV/AIDS, occupational health and safety, people with disabilities and elderly persons) in the Ministry policies, programmes and plans.

In the FY 2011/12, a number of activities were undertaken. They are presented in section 13.3 below.

12.2.4 Technical Compliance Audits

A total of 56 District Local Governments were monitored to assess the extent to which they complied with set engineering standards and specification in delivery of roads infrastructure. Table 12.1 provides a summary of the districts covered under the compliance audits.

As witnessed by Table 12.1 the level of adherence to standards and specifications at district level is extremely low. The short-comings were as follows:

- Road rehabilitation works are carried out without proper designs;
- Road inventory and condition survey are not undertaken by most districts.

- Many of the District Local Governments no longer use the issued RAMPS tool for preparation of Annual District Road Work Plans (ADRWP) and quarterly reports
- None of the District Local Governments carried out quality control and materials testing on road Projects. This cast doubt on the quality of roads rehabilitated/ regravelling

Table 12.1 Technical compliance audits of local governments

Region	Districts audited	Fairly compliant districts
Central (13 audits)	Kalangala, Kalungu, Bukomansimbi, Wakiso, Gomba, Sembabule, Namayingo, Buikwe, Buvuma, Lwengo, Kyankwanzi, Kiboga, Mubende	Mubende
Eastern (11 audits)	Amudat, Nakapiripirit, Napak, Bulambuli, Bududa, Kapchorwa, Kween, Manafwa, Buigiri, Busia, Iganga	
Northern (17 audits)	Nebbi, Zombo, Arua, Amolatar, Dokolo, Kaberamaido, Apac, Lira, Pader, Amuru, Gulu, Otuke, Agago, Lamwo, Nwoya, Kole, Alebtong	
South Western (8 audits)	Ntoroko, Rubirizi, Mbarara, Ntungamo, Rukungiri, Kanungu, Kabale, Kisoro	Ntungamo, Kanungu
Western (7 audits)	Kyegegwa, Bundibugyo, Buhweju, Sheema, Masindi, Kiryandongo, Hoima	

12.3 CREATING OPPORTUNITIES FOR SUSTAINABLE SPENDING ON ROADS

Creating Opportunities for Sustainable Spending on Roads (CrossRoads) is a four year Programme funded by the Department for International Development and the European Union. The goal of the programme is to improve the quality of the road network in Uganda. Its purpose is to improve the efficiency of Government of Uganda expenditure on roads. A Secretariat has been set up and is responsible for the day-to-day management of the Programme. A Roads Industry Council (RIC) supports the Secretariat by providing strategic oversight and guidance aimed at developing an efficient and competitive roads industry, and may in future be a precursor for the Uganda Construction Industry Commission.

The Secretariat is using the market systems approach in the design and implementation of all programme interventions. Sustainable change in the roads industry is only possible if all the key actors are committed to change and play their part to make it happen.

12.3.1 Underlying Causes of Market Failure in the Roads Sector

Slow procurement procedures
At UNRA it can take twelve months from the date a tender is advertised to the award of a contract to the successful bidder. Procedures in the evaluation and procurement process contribute to the length of the process, which is currently being addressed by UNRA.

Inconsistent and inadequate GoU funding to the roads sector
The amount of funding that GoU allocates to the road sector each year is a good indicator of the investment opportunities that exist in the sector. Like other investors, contractors will invest in equipment and human resources if they have confidence that the roads sector is on a growth path and funding is consistent from year to year.

Difficulties with obtaining finance and poor relationships between financial institutions and contractors
Financial institutions (especially commercial banks) consider local contractors to be a high risk group. Consequently, when contractors borrow from commercial banks they are charged high interest rates due to their high risk profile.

Continued use of force account operations

The continued use of force account operations by MoWT, UNRA and other designated road agencies undermines the growth of national contractors in the roads sector. Force account operations discourage contractors from investing in equipment and human resources.

Poor capacity among contractors
There is a lot that local contractors must do to put their own house in order. The vast majority of contractors lack business, financial and contract management skills. Most contractors also do not practice good business ethics.

Weak membership business organisations
The most active membership business organisations (MBOs) in the roads sector are UNABCEC, UACE and UIPE. They all largely depend on membership fees to fund their operations. Interviews carried out with contractors have revealed that many contractors are not members of UNABCEC because UNABCEC is not providing the services they require such as lobbying government to reduce force account operations.

Policy Implementation
MoWT launched the NCI Policy in May 2011. The provision that international companies awarded contracts should subcontract 20% and 30% of the value of a contract to local contractors and consultants respectively should now be implemented.

12.3.2 Opportunities

CrossRoads has identified a number of opportunities in the market on which it can capitalise to facilitate systemic changes in the roads industry. The key opportunities that CrossRoads is exploiting in the implementation of its activities include the following.

NCI Policy
If effectively implemented, the policy will go a long way in supporting the development and growth of a competitive national construction industry in Uganda. CrossRoads' operations are consistent with this Policy.

RSDP 3
RSDP3 has been finalised. It is critical that the prioritisation of maintenance activities and other investments are implemented so that roads make their contribution to the economic development of Uganda.

Public concern about the condition of the national road network
There is widespread concern among the public about the poor condition of the road network in Uganda and its impact on safety, cost of doing business and the economy. This concern provides a basis for mobilisation of civil society to be actively engaged in lobbying to insist on value for money in road construction and maintenance projects.

12.3.3 Market incentives

CrossRoads is using a combination of incentives to mobilise key actors in the roads sector to work together and develop a competitive roads industry in Uganda. The main incentives being used are described below.

Financial incentives
The Construction Guarantee Fund (CGF) has been established to encourage commercial banks to provide performance bonds to contractors and consultants. It is anticipated that over time relationships (mainly confidence and trust) between commercial banks and contractors will improve. Improved mutual trust will encourage banks to expand their loan portfolio to contractors and consultants at competitive interest rates.

A Challenge Fund has been established to provide funding to institutions that would like to test or scale up innovations in road construction and maintenance.

Capacity building
To enable MBOs to provide improved services to members and carry out effective policy lobbying and advocacy, CrossRoads is engaged in capacity building initiatives for the MBOs.

Business management, technical and vocational training to industry professionals, technicians and equipment operators is being conducted to raise skill levels throughout the industry.

Information
Accurate and comprehensive information is critical for effective policy advocacy. CrossRoads has devoted significant resources to collect comprehensive data on the roads industry. Surveys/studies carried out so far include a nationwide equipment survey, collection of data on road contractors and consultants, assessment of opportunities for labour based road contracts, the use of district road committees. The information gathered will be widely shared with stakeholders and also used to carry out evidence-based policy lobbying and advocacy.

12.3.4 Progress

a) RIC has been established and has been providing oversight and strategic advice to the Secretariat since September 2011;
b) A Construction Guarantee Fund (CGF) has been set up and at least four contractors have secured performance bonds through the Fund so far;
c) The equipment survey is complete and the results are being used to design interventions to increase access to equipment by contractors and enable them to deliver road works more effectively;
d) Accredited Training Packages have been developed for three occupations - road artisan level 3, equipment operator level 3 and plant mechanic level 3;
e) Training in financial and business management commenced in July 2012 and 200 contractor's have started the training programme;
f) The first road user satisfaction survey was carried out in May and June 2012 and the final report produced at the end of August. The survey will be conducted annually;
g) The Secretariat prepared and submitted comments to MoWT on the UCICO Bill;
h) The services that contractors want UNABCEC to provide to its members have been identified and specific capacity building activities are being developed;
i) Collection of data for setting up the contractors and consultants database started in June 2012.
j) The Challenge Fund is now operational and workshops are being conducted countrywide to publicise the Fund;
k) A programme to provide on-the-job training to graduate engineers has commenced.

12.4 PROGRESS ON ACTION PLAN MATRIX, FY 2011/12

- A Draft Bill for the National Construction Industry Policy has received legal clearance from Ministry of Justice and a Cabinet Memo has been submitted.
- The Construction Guarantee Fund is now operational.
- A company to undertake training in key skills in road construction and maintenance has been procured.

12.5 MEDIUM TERM PLANS

In the short to medium term the Ministry plans to:

- Improve the materials testing function by equipping laboratories with specialized machinery and equipment;
- Conduct a study to strengthen the materials testing and research function;
- Carrying out repairs to the Central Materials Laboratory and its upcountry stations;
- Strengthen research in materials and construction methods;
- Continuously review and develop engineering standards with focus on for low-cost sealing options for low volume roads; and
- Collaborate with sister institutions in the region especially on research activities.

The future interventions of the CrossRoads project will include work and developments under the following headlines:

a) Challenge Fund
b) Access to plant and equipment
c) Use of the data base
d) Vocational training and accreditation
e) Graduate training programme
f) Policy lobbying and advocacy
g) Strengthening RIC

12.6 CHALLENGES

Central Materials Laboratory
Constraints of the Department in inadequate capacity in respect of personnel, equipment, reference materials and infrastructure facilities for the materials testing and research laboratories prevent adequate provision of the required quality assurance services to the clients in the construction industry. This is of special concern since the industry has been experiencing rapid growth which has generated increased demands for laboratory services that surpass the current capacity of CML.

Poor adherence to standards and specifications
The extremely poor adherence to standards and specifications at district level in planning and execution of road construction and maintenance works will result in low quality work and consequently in poor value for money of the funds spent.

Weaknesses in the construction industry market
- *Policy dialogue.* Regular policy papers and briefs to targeted individuals and institutions that have a strong bearing on policies affecting the roads industry are needed along with regular meetings and dialogues to assist the development and growth of the national roads construction industry.

- *Cost of finance.* Financial institutions consider contractors in the roads sector to be a high risk group and charge them high interest rates. Dialogues are being facilitated between financial institutions and contractors to increase mutual understanding of the needs and interests of each side. It is expected that this will lead to increased trust between the two groups and encourage financial institutions to consider road contractors as prime customers.

- *Inconsistent and inadequate budget for the roads sector.* There is evidence of some progress as the allocation to roads has increased over the last three years. Dialogues will be held with MoFPED so that this trend is sustained.

13. CROSS CUTTING ISSUES

13.1 MANDATE AND FUNCTIONS

13.1.1 Mandate

The Environment Liaison Unit (ELU) under the Construction Standards and Quality Assurance Department and is mandated to integrate crosscutting issues of Environment, Climate change, Gender, HIV/AIDS, Occupational Health and Safety and, Persons with Disability in the Transport sector*.* The unit therefore contributes to the overall achievement of the Ministry's mission by planning activities that enhances the mainstreaming of crosscutting issues in the entire transport Sector.

13.1.2 Functions

The integration of Cross cutting issues in the Ministry commenced in the year 2000 and by 2005 manuals, guidelines, and policy statements to enhance the mainstreaming process of cross cutting issues for the road sub sector were produced. Following the establishment of UNRA, the Ministry's mandate changed from execution to policy, strategy and monitoring. Similarly, mainstreaming of the crosscutting issues in the Ministry is reduced to policy and guideline formulation, dissemination of policies and guidelines, and monitoring of compliance to the crosscutting issues in Ministry's Departments and Agencies.

So far, most of the mainstreaming work on cross cutting issues has been done for the road sub sector. The Environment Liaison Unit is currently looking into reviewing and developing policies, guidelines and monitoring framework/tools to take into consideration the entire transport sector.

13.2 PERFORMANCE ON GOLDEN INDICATORS

During 2012 the following Golden Indicators for cross cutting issues have been established:

- Indicator 18.1 a: Emissions (air pollution or air quality index)
- Indicator 18.1 b: Number of EIAs on projects accepted by NEMA against total number of EIAs required
- Indicator 18.2 a: Availability of gender focal person (yes/no)
- Indicator 18.2 b: Women in employment (% by sub sector)
- Indicator 18.3: HIV/AIDS interventions (number by sub sector)
- Indicator 18.4: Occupational health and safety – accidents at the work place (number by sub sector)

Aggregate measurements for these indicators are provided in Section 1.5, Table 1.1 - with the exception of Indicator 18.1 a, which cannot be measured yet for lack of equipment. Disaggregated measurements are provided in the tables below.

Table 13.1 – Indicator 18.1 b: Number of EIAs on projects rejected by NEMA against total number of EIAs required – 2011/12

	UNRA	MoWT	URC	CAA	URF	Total
EIAs submitted	17	6	1		0	24
EIAs rejected total	0	0	0		0	0
EIAs rejected with issues	1	1	0		0	2
Total rejected to total required (%)	5.9	1.7	0		0	8.3

Table 13.2 – Indicator 18.2 a: Availability of gender focal person in sub-sectors – 2011/12 (yes/no)

	UNRA	MoWT	URC	CAA	URF	Total
Focal person in place	Yes	Yes	Yes	Yes	Yes	5

Table 13.3 – Indicator 18.2 b: Women in employment – 2011/12 (% by sub-sector)

	UNRA		MOWT		URC		CAA		URF		Total	
	No. (w)	%	No. (w)	%	No. (w)	%	No. (w)	%	No. (w)	%	No. (w)	%
At management level	1	3	1	5	8	32	-		1	10		
At senior level	8	13	12	13	2	25	-		4	40		
Overall	82	8	104	24	10	39	247	28	2	10	445	19

Table 13.4 – Indicator 18.3: HIV/AIDS interventions – 2011/12 (number by subsector)

	UNRA	MOWT	URC	CAA	URF	Total
Awareness programmes	672	6			0	
Condom issue (packs)	218,400	3,600			0	
Counselling programmes	12,572	0			0	
Support treat programmes	1,344	0			0	
Total interventions	12	6			0	18

Table 13.5 – Indicator 18.4: Occupational health and safety – accidents at the work place - 2011/12 (number by sub sector)

	UNRA	MoWT	URC	CAA	URF	Total
Fatalities	55	0	0		0	55
Serious injuries	91	0	0		0	91
Minor injuries	840	0	2		6	840
Total accidents	986	0	2		6	994

13.3 ACHIEVEMENTS ON CROSS CUTTING ISSUES

During financial year 2011-12, a number of activities were implemented under the different thematic areas of the cross cutting issues. Key achievements include:

a. Development of a manual for climate change risk management and adaptation strategy for the works and transport sector;

b. Policy statements, guidelines for mainstreaming cross-cutting issues in the roads sub-sector and EIA guidelines were disseminated to 20 districts;

c. The Ministry finalized and launched the HIV/AIDS Policy, Prevention Strategy and Implementation Plan for the Works and Transport Sector in November 2011. It was out to 8 district local governments in Northern Uganda;

d. Base line assessment for the Ministry's HIV/AIDS work place interventions was undertaken;

e. HIV/AIDS coordination committee was established, TORs for the committees developed and coordination meetings with Agencies were initiated;

f. Ministry finalized developing a national strategic framework for combination of HIV prevention services (CHIPS) at hotspots along transport corridors in Uganda. This is to be funded by IOM;

g. A total of 20 districts have to-date been trained in mainstreaming of cross-cutting issues in the roads sub-sector. The district staff who benefited from the training include Engineers, Environment Officers, Gender Officers and HIV Focal Persons;

h. A total of 20 senior staffs of the Ministry of Works and Transport were trained in HIV/AIDS workplace programming;

i. A total of 31 district local governments were monitored for compliance to standards in execution of road works;

j. The Ministry finalized the development of monitoring indicators for cross-cutting issues in the transport sector. An indicator was included in the M&E Framework for the Ministry as Golden Indicator No.18.

13.4 PROGRESS ON ACTION PLAN MATRIX, FTY 2011/12

Key performance indicators was developed and included in the Sector Monitoring and Evaluation Framework. This will enable establishment of an informed basis for addressing cross cutting issues in the sector.

Further developments will include data collection and storage mechanisms.

13.5 MEDIUM TERM PLANS

Plans approved for 2012/13 include the following activities:

a) Gender mainstreaming and compliance audits of 8 MDAs;
b) Environment compliance audits of 48 MDAs and setting of standards in the road sector in 32 local governments;
c) Undertake environment compliance monitoring on ongoing projects in MDAs and review of Environmental Impact Statements;
d) Finalize the monitoring indicators, develop collection mechanisms and a database;
e) HIV/AIDS scoping and development of a workplace policy and guideline;
f) HIV/AIDs compliance monitoring on ongoing road works;
g) Printing of 450 copies of the Climate Change and Risk Management (CRMAS) manuals and sensitize key stakeholders on the use of the Manual

13.6 CHALLENGES AND MITIGATION MEASURES

The mainstreaming of cross cutting issues in the transport has been limited due to the following reasons:

- Lack of appreciation of the value added by the crosscutting mainstreaming work to the physical areas of work. *Mitigation:* continuous sensitization of staff

- Insufficient funds for the implementation of the crosscutting issues by implementing MDAs. *Mitigation:* A given percentage of funds for physical contracts to be dedicated to cross cutting work

- Lack of data on crosscutting issues at MDAs and a clear channel/ framework for data collection, and submission of data from MDAs to the Ministry. *Mitigation:* Development of data collection and storage mechanisms and clear reporting channels

- Having been a male dominated Ministry, there is inadequate washroom and sanitary disposal provisions for the available female staff in the workplace. *Mitigation:* Establish improved facilities and allocate toilets for use by women only

- Staff undertaking hands on work lack protective gear such as overalls, safety helmets, gumboot and gloves. *Mitigation:* Undertake assessment of problem and provide appropriate safety gears to staff.

ANNEXES

ANNEX 1 – DRAFT GAPR PERFORMANCE INDICATORS 2011/12

Vote 016: Ministry of Works and Transport									
	CODE	DESCRIPTION	% BUDGET RELEASED	TARGET/ BUDGET	ACTUAL / RELEASE	SPENT	% BUDGET RELEASED	% BUDGET SPENT	EXPLANATION FOR STATUS
Vote Function	**0401**	**Transport Regulation**							
VF SPENDING (GoU+Donor)			**71.66%**	**7.41**	**5.31**	**5.31**	**71.66%**	**71.66 %**	
VF SPENDING (GoU)			**71.66%**	**7.41**	**5.31**	**5.31**	**71.66%**	**71.66 %**	
OUTPUT	**040101**	**Policies, laws, guidelines, plans and strategies developed**							
OUTPUT SPENDING (GoU)			**81.95%**	**2.05**	**1.68**	**1.68**	**81.95%**	**81.95 %**	
Indicators	*#1*	No. of Policies, Laws and Regulations reviewed and updated.		1	2				Draft road safety policy and strategy produced and submitted.
OUTPUT	**040102**	**Road Safety Programmes Coordinated and Monitored**							
OUTPUT SPENDING (GoU)			**69.12%**	**1.36**	**0.94**	**0.94**	**69.12%**	**69.12 %**	
Indicators	*#1*	No. of Road Safety Awareness Campaigns/Workshops conducted		6	7				sensitization workshops held in Kitgum, Gulu, Kampala, Fortportal, Masindi & Kasese
	#2	No. of Driving Schools inspected and registered		50	40				inadequate funding (low levels of funds under donor development component)
OUTPUT	**040103**	**Public Service Vehicles & Inland water Transport vessels Inspected & licensed**							
OUTPUT SPENDING (GoU)			**86.01%**	**1.93**	**1.66**	**1.66**	**86.01%**	**86.01 %**	
Indicators	*#1*	No. of Public Service Vehicles inspected and licensed		17000	17005				on target

	#2	No. of IWTVs inspected and licensed		250	211				The additional 39 IWTV were inspected and passed for licensing, but licenses could not be issued without payment of requred fees, some landing sites do not have E-tax facilities . TLB does not have the mandate to collect these funds for licensing
	#3	No. of boda-bodas inspected and licensed		10,000	4500				Low enforcement levels as some boda bodas dont have proper registration documents making them elusive to licensing and registration
	#4	No. of New bus operators processed		70	86				on target
OUTPUT	**40104**	**Air Transport Programmes coordinated and Monitored**							
OUTPUT SPENDING (GoU)			**57.89%**	**0.57**	**0.33**	**0.33**	**57.89%**	**57.89 %**	
Indicators	*#1*	No. of BASAs reviewed, negotiated and signed		3	3				on target
	#2	No .of Air transport programmes coordinated		6	8				on target
	#3	No.of aerodromes Inspected		10	10				on target
OUTPUT	**40105**	**Water and Rail Transport Programmes Coordinated and Monitored**							
OUTPUT SPENDING (GoU)			**60.00%**	**0.35**	**0.21**	**0.21**	**60.00%**	**60.00 %**	
Indicators	*#1*	No. of Marine Vessels inspected and registered		250	256				
	#2	No. of operations of Inland Water Transport Vessels monitored		4	4				sensitization, M&E on selected landing sites carried out on L. Victoria, L. Kyoga
		% of water and railway accidents investigated		50	60				

		No. Water Transport Programmes Coordinated		3	3				
Vote Function	**402**	**Transport Services and Infrastructure**							
VF SPENDING (GoU+Donor)			**38.11%**	**49.36**	**18.81**	**18.81**	**38.11%**	**0.381078**	
VF SPENDING (GoU)			**66.93%**	**23.86**	**15.97**	**15.97**	**66.93%**	**0.669321**	
OUTPUT	*0 40201*	**Policies, laws, guidelines, plans and strategies developed**							
OUTPUT SPENDING (GoU)			**73.77%**	**1.22**	**0.9**	**0.90**	**73.77%**	**73.77%**	
	#1	Harmonise and coordinate regional/International transport services and infrastructure in EAC, COMESA, AU and Horn of Africa Initiative		4	4				MoU between Uganda and Tanzania to develop Yanga- Musoma new kampala(Bukasa) signed, MoU between Uganda, Tanzania and t of Tanga-Arusha-Musoma - New Kampala Port (Bukasa) signed. COMESA-EAC-SADC infrastructure investment report reviewed and report prepared in Nairobi. Pre-feasibility study on Great Lakes Railways reviewed and report prepared in Kigali
OUTPUT	*0 40204*	**Development of Inland Water Transport**							
OUTPUT SPENDING (GoU)			**79.50%**	**2**	**1.59**	**1.59**	**79.50%**	**79.50%**	
	#1	No. Of social economic studies carried out on inland water bodies		4	4				
OUTPUT	*0 40206*	**Development of Railways**							
OUTPUT SPENDING (GoU)			**100.00%**	**2.6**	**2.6**	**2.6**	**100.00%**	**100.00%**	

	#1	Length km of old railway truck maintained		200	200				On target
	#2	feasibility study to upgrade K'la - Kasese railway line		1	1				On target
OUTPUT	*0 40251*	**Maintenance of Aircrafts and Buildings (EACAA**							
OUTPUT SPENDING (GoU)			**56.79%**	**5.74**	**3.26**	**3.26**	**56.79%**	**56.79 %**	
	#1	% of EACAA buildings rehabilitated		95	98				
OUTPUT	*0 40252*	**Rehabilitation of Upcountry Aerodromes (CAA)**							
OUTPUT SPENDING (GoU)			**49.52%**	**6.28**	**3.11**	**3.11**	**49.52%**	**49.52 %**	
	#1	No. of aerodromes rehabilitated/maintained		8	13				Namely; Arua, Pakuba, Masindi, Kidepo, Moroto, Lira, Tororo, Jinja, Mbarara, Kisoro, Kasese, Soroti and Gulu Aerodromes
OUTPUT	*0 40281*	**Construction/Rehabilitation of Railway Infrastructure**							
OUTPUT SPENDING (GoU)									
	#1	No of operating wagons		1412	1412				Operating wagons are concessioned
		Works on Tororo-Pakwach and Kampala-Kasese commenced		1	1				On target
Vote Function	**403**	**Construction Standards and Quality Assurance**							
VF SPENDING (GoU+Donor)			**60.75%**	**24.13**	**14.66**	**14.64**	**60.75%**	**0.606714**	
VF SPENDING (GoU)			**60.75%**	**24.13**	**14.66**	**14.64**	**60.75%**	**0.606714**	
OUTPUT	*40302*	Management of public buildings							

OUTPUT SPENDING (GoU)			**76.11%**	**1.13**	**0.86**	**0.86**	**76.11%**	**76.11 %**	
	#1	No. Of Standards and compliance Audits conducted on LGs roads		60	57				Inadequate funding
	#2	No. Of environmental compliance audits conducted		32	39				
Vote Function	**404**	**District, Urban and Community Access Roads**							
VF SPENDING (GoU+Donor)			**68.94%**	**21.7**	**14.96**	**14.96**	**68.94%**	**0.689401**	
VF SPENDING (GoU)			**68.94%**	**21.7**	**14.96**	**14.96**	**68.94%**	**0.689401**	
OUTPUT	*0 40481*	**Urban roads construction and rehabilitation (Bitumen standard)**							
OUTPUT SPENDING (GoU)			**175.14 %**	**1.85**	**3.24**	**3.24**	**175.14 %**	**175.14 %**	relocation to project 0306-Urban roads resealing by parliament
Indicators	#1	No. Km of urban unpaved roads maintained (Routine)*		2500	1800				
	#2	No. Km of urban unpaved roads maintained (Periodic)*		250	195				
		No. Km of urban paved roads maintained (Routine)*		480	320				
		No. Km of urban paved roads maintained (Periodic)*		40	33				
		No. Km of district paved roads maintained (Routine)*		13,000					
		No. Km of paved roads maintained (Periodic)*		1400					
		% of expenditure for maintenance executed by the private sector (DUCAR)*		30					
		Length of Urban roads resealed.		4	3				
Vote Function	**405**	**Mechanical Engineering Services**							

VF SPENDING (GoU+Donor)			**80.10%**	**3.97**	**3.18**	**3.17**	**80.10%**	**0.7984 89**	
VF SPENDING (GoU)			**80.10%**	**3.97**	**3.18**	**3.17**	**80.10%**	**0.7984 89**	
OUTPUT	**40502**	**Maintenance Services for Central and District Road Equipment**							
OUTPUT SPENDING (GoU)			**90.46 %**	**2.41**	**2.18**	**2.1 8**	**90.46 %**	**90.4 6%**	
Indicators	#1	% availability of central ministry vehicles		60	60				
	#2	% availability of equipment for district roads		50	50				On target
OUTPUT	**40503**	**Mechanical Tech. Advise Rendered & Govt. Vehicle Inventory Maintained**							
OUTPUT SPENDING (GoU)			**81.25 %**	**0.16**	**0.13**	**0.1 2**	**81.25 %**	**75.0 0%**	
Indicators		% Availability of the planned operating time for MV Kalangala		95	95				
		% availability of government protocol fleet		80	**80**				
		% of government vehicles inspected against the total presented		100	**100**				
Implementation of JAF 4 Actions									
Issues		**Action**		**Perfor mance Rankin**	**Explan ation for status**				**OPM Comment**
Inadequate reportingon road maintenance	#1	Renew application with the COST initiative							

VOTE 118: Uganda Road Fund									
	CODE	DESCRIPTION	% BUDGET RELEASED	TARGET/ BUDGET	ACTUAL/ RELEASE	SPENT	% BUDGET RELEASED	% BUDGET SPENT	EXPLANATION FOR STATUS
Vote Function	**0452**	**National and District Road Maintenance**							
VF SPENDING (GoU+Donor)			**91.86%**	**280.95**	**258.09**	**258.08**	**91.86%**	**91.86%**	
VF SPENDING (GoU)			**91.86%**	**280.95**	**258.09**	**258.08**	**91.86%**	**91.86%**	
OUTPUT	**045251**	**National Road Maintenance**							
OUTPUT SPENDING (GoU)			**92.30%**	**181.87**	**167.86**	**154.9348**	**92.30%**	**85.19%**	
Indicators	*#1*	% of funds released to UNRA on time (as per performance agreement)*		95	92				performance was affected by MoFPED budget cut of 7.7% by the low annual budget and the increased maintenance needs on national roads
	#2	% of funds released to National roads maintenance requirements*		65	30				
	#3	Average time (days) of delayed disbursement		21	11.25				
OUTPUT	**045252**	**District , Urban and Community Access Road Maintenance**							
OUTPUT SPENDING (GoU)			**92.54%**	**91.19**	**84.39**	**71.22**	**92.54%**	**78.10%**	
Indicators	*#1*	Average time (days) of delayed disbursement		21	11				performance was affected by MoFPED budget cut of 7.5%
	#2	% of agreed budget of DUCAR for maintenance of DUCAR network financed agreement)*		75	92.5				
	#3	% of funds released to DUCAR agencies on time (as per performance agreement)*		95	92.5				

VOTE 113: Uganda National Roads Authority									
	CODE	**DESCRIPTION**	**% BUDGET RELEASED**	**TARGET/ BUDGET 2011/12**	**ACTUAL/ RELEASE 2011/12**	**SPENT**	**% BUDGET RELEASED**	**% BUDGET SPENT**	**EXPLANATION FOR STATUS**
Vote Function	**0451**	**National roads maintenance and construction**							
VF SPENDING (GoU+Donor)			**93.18%**	**826.412**	**770.08**	**743.26**	**93.18%**	**89.94%**	
VF SPENDING (GoU)			**119.33%**	**387.5**	**462.39**	**462.33**	**119.33%**	**119.31%**	
OUTPUT	**045105**	**Axle Load Control**							
OUTPUT SPENDING (GoU)			**74.07%**	**0.783**	**0.58**	**0.58**	**74.07%**	**74.07%**	
Indicators	*#1*	% of vehicles overloaded*		40	55				The target was not achieved because of weaknesses in the law coupleted with frequent skrikes by transporters which led to suspension of operations at some weighbridge stations like Mbale, Busitema and Mubende.
	#2	Number of vehicles weighed		200000	161184				The target of 200,000 vehicles weighed was not achieved because of frequent suspension of operations arising from complaints from transporters.
OUTPUT	**045101**	**Monitoring and capacity building support**							
OUTPUT SPENDING (GoU)			**92.12%**	**7.23**	**6.66**	**6.62**	**92.12%**	**91.56%**	
		National Roads MIS established		1	1				

Indicators	*#1*	No. of staff trained		15	20				staff members were trained in various courses
		No. of monitoring activities conducted		6	**6**				Monitoring Inspections were carried out on the following projects; Fortportal-Bundibugyo, Nyakahita- Kazo-Kamwenge, Kabale-Kisoro-Bunagana/Kyanika, Mbarara- Kabale-Katuna, Vurra- Arua-Koboko- Oraba and Tororo- Mbale-Soroti
OUTPUT	**045180**	**National Road Construction/Rehabilitation (Bitumen Standard)**							
OUTPUT SPENDING (GoU)			**123.90%**	**317.66**	**393.59**	**393.59**	**123.90%**	**123.90%**	
Indicators	*#1*	Number of financial and Technical Audits on road construction works undertaken		1	6				Technical audits were undertaken on the following projects; Kabale- Kisoro-Bunagana/kyanika(1)technical audit, Busega-Nsangi, Kamengo-Lukaya, 2 technical audits conducted and Masaka-Mbarara/ Kyotera 2 technical audits conducted.

	#2	No. of bridges rehabilitated*		5	6				
	#3	No. of new bridges constructed		1	4				4 new Bridges completed. Kaichumu and Nyungu in Kiruhura district, Aswa in Gulu and Muzizi on Kyenjojo-Kibale rd. 6 bridges rehabilitated; Karuma, Pakwach, Nkusi, Ngoromwenda, and Ntugwe bridges. detailed engineering designs for the second Nile bridge at Jinja completed
		No. Of weigh bridges operated and maintained			7				
	#4	No. (Km) of national paved roads reconstructed/rehabilitated (equiv. km)*		100	184				
	#5	No. (equiv Km) of unpaved national roads upgraded to bitumen standard*		112	121				Kabale – Kisoro, Fort Portal-Bundibugyo, Nyakahita –Kazo, Kazo-Kamwenge, Mbarara-Kikagati and Vurra- Arua-Oraba
OUTPUT	**045103**	**Maintenance of paved national roads**							
OUTPUT SPENDING (GoU)			**100.00%**	**2.15**	**2.15**	**2.15**	**100.00%**	**100.00%**	
Indicators	*#1*	No. Km of unpaved national roads maintained (Routine Mechanized)*		11396	7500				

	#3	No. Km of unpaved national roads maintained (Periodic)*		556	197				The targets were not achieved partly because of adverse weather conditions which caused floods in many parts of the country. This affected the progress of works as well as the resources diverted to deal with the emergencies.
		No. Km of paved national roads maintained (Periodic)*		28	6				The target was not met partly because of adverse weather conditions coupled design changes on Jinja - Kamuli road which affected the progress of works.
		No. Km of paved national roads maintained (Routine Mechanized)*		2107	1890				Target was not achieved due to increased road deteriration whichled to more failures on road designs also flooding due to adverse weather condition led to diversion of resources to cater for immediate actions

		% of executed road maintenance works executed confirmed through technical/ financial value for money audits*		10	15.8				
		% of expenditure for maintenance executed by the private sector (National Roads)*		75	75				
OUTPUT	**045106**	**Ferry Services**							
OUTPUT SPENDING (GoU)			**74.59%**	**1.22**	**0.91**	**0.91**	**74.59%**	**74.59%**	
Indicators	*#1*	No. Of new ferries acquired		1	1				Lwampanga - Namasale was acquired and will comence operations by endof september.
	#2	No. Of ferries maintained and operated at 95%		9	7				7 ferries on 6 crossings were operated and maintained at 95% availability. Bukakata, Laropi, Masindi Port, Wanseko, Nakiwogo, Kyindi.There is need for more funding to ferries to match the increasing number of ferry crossings.
	#3	No. Of landing sites constructed		1	1				Construction of Lwampanga - Namasale Ferry landing was substatially completed. The ferry is expected tocommence operations by the

										end of September 2012.

ANNEX 2 – 7th JOINT TRANSPORT SECTOR REVIEW 2010/11 ACTION PLAN MATRIX

7th Joint Transport Sector Review (JTSR) Action Plan Matrix 2011

Section A: Policy and Strategy

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
S1	Joint Transport Sector Review Workshop held annually.	(i) Hold the Midterm Joint Transport Sector Review Workshop.	The Midterm JTSR workshop was held on 27th April 2012	April, 2012	MoWT	
		(ii) Hold the 8th JTSR Workshop.	The 8th JTSR workshop is being held from 25th - 27th Sept 2012.	Sept 25-27, 2012	MoWT	
S2	Implementation of the National Transport Master Plan / Master Plan for Great Kampala Metropolitan Area.(NTMP/GKMA)	(i). Finalize a report on the Monitoring and Evaluation framework for the NTMP/GKMA.	The M&E Framework was finalised in July 2012.	June, 2012	MoWT	
		(ii). Procure consultants for Metropolitan Area Transport Authority study	Evaluation of bids was completed. The best evaluated bidder was invited for pre-contract negotiation on the 21st September 2012. The contract is expected to be signed by end of October 2012.	Sept,2012	MoWT	Procurement took long because of the multiple-approvals required by GoU and WB procedures.

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
S3	Strengthening the Sector's Capacity to execute its mandate.	(i). Finalize the Strategic Plans for MoWT and UNRA.	The Strategic Plans for MoWT and UNRA were finalised in February and June 2012 respectively.	April, 2012	MoWT & UNRA	
		(ii). Commence the Strategic Plan for URF.	The procurement process of the short term consultant is ongoing. The contract is expected to be signed by end of October 2012.	May, 2012	URF	The process took long because of the delay in the replacement of the EU funded Technical Assistance.
		(iii). Train 50 Officers on procurement and Contract Management	50 MoWT and 205 UNRA staffs were trained in procurement and contract management in FY 2011/12.	Sept , 2012	MoWT & UNRA	
		(iv). Develop Manpower Development Plan	The Manpower Development Plan was completed and is being implemented.	Sept, 2012	MoWT	

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
S4	Strengthen Sector Wide Approach (SWAP)	(i). Sign MoU on Coordination framework between URF and MoWT	The draft MoU was finalised and put before the URF Board for approval. It is expected to be signed in December 2012.	March, 2012	MoWT, URF	There was a delay due to consultations on key issues including the framework which took longer than was anticipated.
		(ii). Implement key elements in SWAP Matrix	(i) The Sector M&E framework was finalised and is being implemented. (ii) The Procurement of the consultants for the Sector Investment Plan (SIP) & National Transport Policy and Strategy (NTPS) are in advanced stages. Pre-contract negotiations for NTPS were conducted and contract will be signed by end of Oct 2012. Evaluation process	Sept, 2012	MoWT, UNRA	

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
			for SIP is ongoing and the contract is expected to be signed by end of Oct 2012. (iii) Two Technical Working Groups: (a) Finance Infrastructure & Transport Services (FITS) and (b) Monitoring, Capacity Building & Governance were formed and are operational. (iv) The Secretariat for Sector Coordination was established.			
S5	BRT Implementation as part of the solution to Improve public transport in greater Kampala	(i) Finalize the feasibility study.	The consultant was procured and the inception report submitted in August 2012. The feasibility study will be completed by the end of Dec 2012.	Sept, 2012	MoWT, KCCA MoWT, KCCA	The procurement took long because of the multiple-approvals required by GoU and WB procurement procedures.

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
		(ii) Start the detailed engineering design for the pilot Bus Rapid Transit (BRT).	The design is expected to commence by January 2013.	Sept, 2012		
S6	Improvement of Transparency and Accountability management in the Sector	(i). Commence the Implementation of Independent Parallel Bid Evaluation process.	The independent parallel bid evaluation by Crown Agents commenced in March 2012.	March, 2012	UNRA, MoWT, URF.	
		(ii). Finalise Sector Communication Strategy	The Sector Communication Strategy was final in August 2012.	July 2012	MoWT	
S7	Collection of data on DUCAR network.	Commence data collection on the District and Urban road network.	(i) The JICA Project on data collection commenced on 1st April 2012.	May, 2012	MoWT, URF	URF is also procuring consultancy services to collect data for the development of the 3 and 5yr road maintenance strategic plans due to commence in October 2012.

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
S8	Lack of indicators on crosscutting issues (Environment, HIV/AIDS, occupation health and Gender mainstreaming)	Develop key performance indicators for crosscutting issues (Environment, HIV/AIDS, Gender and Occupational health and safety) and include them in the Sector Monitoring and Evaluation Framework.	Indicators for cross cutting issues were developed and incorporated in the Sector M&E Framework. The indicators are being reported on in the Sector performance Report.	March, 2012	MoWT	

Section B: Road Sub-Sector

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
R1	Predictable and reliable funding for road maintenance	(i). Finalize the study on allocation formula for road maintenance.	The study was completed and the formula presented to key stakeholders in May 2012. It has now been submitted to SWG for approval and implementation is expected to start in FY 2013/14.	April, 2012	URF	
R2	Improvement of Road Safety	(i). Submit the Draft National Roads Safety Policy and Strategy to Cabinet.	The Policy was finalised and submitted to Cabinet by 21st Sept 2012.	March, 2012	MoWT	

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
		(ii). Submit the drafting Principles for a Bill to setup the National Road Safety Authority to Cabinet.	The Drafting Principles were submitted to Cabinet in June 2012 and comments received are being addressed.	March, 2012	MoWT	Consultations on the comments received are on-going.
		(iii). Finalize a Policy on the Non Motorized Transport.	The NMT Policy was finalised and approved by Sector Working Group in August 2012	Sept, 2012	MoWT	
R3	Operationalisation of the National Construction Industry Policy	(i). Submit to Cabinet a UCICO Bill.	The Draft Bill was finalised and submitted to Cabinet in July 2012.	June, 2012	MoWT, CROSS ROADS Program	
		(ii). Operationalise the Construction Guarantee Fund (CGF).	The CGF was operational by CROSS ROADS Project in March 2012.	Sept, 2012		
		(iii). Commence training in key skills of road construction and maintenance.	146 staff from contractors were trained in FY 2011/12	March, 2012		
R4	Improve Axle Load Control	Submit the Axle Load Control Policy and Strategy to Cabinet.	The draft Policy was finalised and the Cabinet Memo is being prepared for submission to Cabinet in October 2012.	Sept, 2012	MoWT	

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
R5	Institutional weaknesses in the Management of DUCAR	(i) Provide an Inception Report on the Legal Framework for the establishment of a DUCAR Agency/Authority	Procurement of consultancy services is ongoing; the contract is expected to be signed by the end of November 2012.	Sept, 2012	MoWT	
R6	Improve long-term planning in the sub-sector	(i) RSDP3 approved by Sector Working Group	RSDP3 was finalised in August 2012.	Sept, 2012	MoWT	The plan is being shared as part of the mobilisation process.
R7	Improve quality of Kampala road network	(i) Adopt credible 5-year strategy for road rehabilitation, maintenance and upgrading	The five year strategy for improvement of roads in Kampala City was incorporated in the RSDP3.	Sept, 2012	KCCA	

Section C: Railway Sub-Sector

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
RL1	Rehabilitation of railway lines	(i) Commence the design for upgrading Malaba-Kampala railway line to Standard Gauge.	The Contract for Consultancy services was signed.	Sept, 2012	MoWT/URC	
		(ii) Finalize the feasibility study for Kampala-Kasese railway line.	The final feasibility study report was submitted in February 2012.	Feb, 2012	MoWT/URC	
RL2	Revamping of railway marine services	(i) Secure funding for refurbishment of MV Pamba.	MoFPED has promised Funding for refurbishment of MV Pamba.	June, 2012	MoWT, URC	Assessments for the repair needs were conducted.
		(ii) Finalize the design for remodelling Port Bell and Jinja Piers.	The assessment report was submitted and the final design report is expected by the end of this FY.	Sept, 2012	MoWT, URC	The Consultant resumed work in September 2012.
RL3	Railway connection to South Sudan	(i). Develop ToRs for procuring a consultant to undertake a feasibility study for Gulu – Atiak – Nimule Railway line.	The draft ToR were finalised in August 2012 and submitted to SWG for review and approval.	Feb, 2012	MoWT	Bidding Document were submitted to the MoWT

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remarks
						Contract Committee for review and approval.
		(ii). Establish Project Coordination Unit for Southern Route, Tanga-Arusha-Musoma-Bukasa	Project Monitoring Unit was established and staff appointed.	September 2012	MoWT, URC	Budget for running the Project Coordination Unit was prepared and submitted to MoT (TZ) for review and discussions

Section D: Air Sub-Sector

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remark
A1	Alternative International Airports to Entebbe.	(i). Finalize the master plan for Kasese International Airport	The Master Plan for upgrading Kasese Aerodrome to international airport was completed in Dec 2011.	Sept, 2012	CAA, MoWT	Funds are being sought to implement the plan.

Code	Issue	Action	Progress	Deadline	Responsible Organization	Remark
		(ii). Finalize the master plan for Gulu Airport	The Master Plan for upgrading Gulu Aerodrome to international airport was completed in Jan 2011.	Sept, 2012	CAA, MoWT	Funds are being sought to implement the plan.
A2	Improve on Air traffic through Entebbe International Airport	(i). Finalize the review of Investment Plan for Entebbe International Airport.	The procurement of consultancy services was completed and services are due to commence after mobilisation.	Sept, 2012	CAA, MoWT	

Section E: Water Sub-Sector

Code	Issue	Action	Progress	Deadline	Responsible Organization	
W1	Improve safety of inland water transport (IWT)	(i). Procure a consultant to review and produce Principles (white paper) for legal and institutional framework for inland water transport.	Request for proposals were issued to bidders in August 2012. The contract is expected to be signed in Jan 2013	Sept, 2012	MoWT	
W2	Improve connectivity of islands in Lake Victoria	Prepare investment plan for improving connectivity.	The study is expected to be completed by December 2012.	Sept, 2012	MoWT	

17th September 2012