



USE OF MONITORING & EVALUATIVE EVIDENCE IN DEVELOPMENT PLANNING AND BUDGETING PROCESSES

A CASE OF UGANDA

SEPTEMBER, 2023



ADOPTION IN UGANDA

1. Through the launch of the National Development Plan III in 2021, Government introduced a Programme Based Planning and Budgeting system, introducing a shift from the Sector based planning and budgeting process.
2. However, a mid term review of NDP III last year showed that this transition has been difficult and there is continued significant mismatch between planning, budgeting and M&E.
3. While Uganda continues to make good progress in reforming M&E system, there is need for the country to understand the current use of performance monitoring and evaluation evidence (data) in the planning and budgeting processes.



CIRCUMSTANCES



1. The need to entrench the use of M&E evidence in the public Programme planning and budgeting processes.
2. The need to ensure that M&E functions are informed by the best available performance data on existing development plans, policies, programmes and projects of the government.



BEST PRACTICE IN UGANDA

1. Presence of M&E function in government

- Efforts have been made to ensure that all government institutions have an M&E function, in one standard form.
- M&E is now a standard part of government operations, and staff at all levels have been trained to carry out these activities. It exists as a set of activities that take place at the policy and operational levels, and it is part of the core functions of government.
- OPM continues to conduct performance reviews for central and local governments through a central hub for the implementation of all M&E projects.
- The government has also started to develop a new National Strategy and Plan for M&E as a revision to the existing one.
- The National Planning Authority (NPA) is currently engaged in implementing an integrated M&E system across all MDAs, which will bring together all existing systems into one comprehensive framework that can be used to measure progress.



BEST PRACTICE IN UGANDA-ARCHITECTURE AND STRUCTURES

Category	Remarks
1. Self-appraisal (MDAs & LGs)	Monitor timely implementation of planned activities; establish implementation challenges/ gaps; Establish performance (results vs targets); & recommend actions for redress
2. Oversight & accountability (Parliament oversight committees & Office of Auditor General-OAG)	Monitor timely implementation of planned activities; scrutinize Auditor General's reports & probe any accountability gaps established; and recommend actions for redress against the errant government officials
3. Overall budget execution monitoring (Budget Monitoring & Accountability Unit - MoFPED)	The BMAU plays a crucial role in ensuring adherence to budget lines across MDAs
4. Overall government performance (Office of the Prime Minister-OPM)	Traditionally, OPM is mandated to be the head of government business. Undertake Programme-Based Monitoring to assess performance against targets and outcomes in the Programme Implementation Action Plans (PIAPs) of the third National Development Plan (NDP III)
5. Apex Platform (Office of the president, OPM, MFPEP & NPA)	This is a recent (2021) creation and it's a high level executive decision making forum under the Office of the president to facilitate/ inform high level executive decision making

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BEST PRACTICE IN UGANDA



3. Inter-agency collaboration

- Working with Uganda Bureau of Statistics and Ministry of Finance to develop National Standard Indicator Framework
- User –producer dialogues

4. Development of client Charters – All MDAs should have written commitments displayed to public

5. Increased citizen involvement through baraza's

6. Development of Service delivery standards

- Yardstick for developing institution plans and budgets that are citizen centered
- Improved citizens' access to information on cost of services delivered and enhance capacity of citizens to demand for services
- Enhanced public service performance and accountability.
- Improved financial reporting and compliance to set standards at all levels.
- Uniformity and consistency in the delivery of services at the national and local levels.
- Facilitate social and economic development through equitable allocation, access to and control of resources



FINDINGS

1. M&E function in government

- a) **Key M&E processes:** There are about 6 levels including: (i) Routine monitoring/ reporting, (ii) Periodic reporting, (iii) Annual reporting (Joint Annual Reviews), (iv) Annual reporting (OPM GAPR, now known as National Annual Performance Review [NAPR]), (v) Midterm Review, and (vi) End of term evaluation. Most critical among the several processes is the **Government Annual Performance Assessment by OPM** under GAPR process and the Programme-Based Monitoring (PBM) by BMAU.
- The NAPR is conducted by the OPM which then produces the Performance Report (GAPR) on Government's performance and the results of public spending for the financial year under review.
 - For the Program Based Monitoring- by the BMAU of the Ministry of Finance, Planning and Economic Development (MoFPED) to assess performance against targets.
- b) **Most critical actors:** President's Office, Office of the Prime Minister (OPM), Ministry of Finance Planning and Economic Development (MOFPED) and the National Planning Authority (NPA).

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FINDINGS

- c) Capacity and facilitation for M&E function:** The M&E function - not well capacitated, characterised by unskilled and inadequate staff numbers (1-4 staff on average), inadequate tools and a meagre budget.
- The critical gap in the M&E function is **inadequate digitalisation of data.**
 - There are very few MDAs with Enterprise Resource Planning (ERP) software system, minimal establishment and utilisation of Data analytics/Data architects/ dashboards, Data Engineers and programmers.
 - Similarly, very few MDAs are aware of the application of Balance Score Card and Dash Board as tools in monitoring and Reporting

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FINDINGS

d) Implementation of the M&E in government

The MDAs - operate based on Programme Implementation Action Plan (PIAPs) which are required to have a Monitoring and Evaluation (M&E) strategy to enable stakeholders to regularly and systematically track implementation of selected priorities and assess progress of the plan with regard to the agreed objectives and outcomes.

The M&E strategy aims to help the Programme Working Groups (PWGs) to answer the following:

- Were the planned activities implemented as planned?
- Were resources availed and used timely as planned?
- Did implementation of activities result into the planned outputs?
- Did the outputs result in the expected outcomes?



FINDINGS



d) Government annual performance assessment by OPM

- The GAPR provides a comprehensive assessment of Government's performance and the results of public spending for the financial year under review. The GAPR normally focuses on four aspects:
 - (a) Extent of delivery of results through the public finance investment;
 - (b) Progress made on planned outcomes, outputs and the use of resources;
 - (c) Explanation for the performance levels achieved; and
 - (d) Recommended key actions to improve performance.
- Employs mixed methods. It relies on both primary and secondary data provided by MDAs, Sectors / programmes, and LGs.
- Obtains financial information from the government Integrated Financial Management System (IFMS) and related systems; and additional data from BMAU (Budget Monitoring and Accountability Unit) and UBOS (Uganda Bureau of Statistics).
- OPM also collects some of the data directly from the field. The data is eventually validated by OPM for completeness and also triangulated.



FINDINGS

d) Government annual performance assessment by OPM

	<p>Achieved</p> <p><i>Outcome and output indicators:</i> Where the specific target or action committed to has been achieved by the end of FY</p>
	<p>Moderately Satisfactory</p> <p><i>Outcome and output indicators:</i> Where the specific target or action committed to has not been achieved by the end of FY but performance is above 75%</p>
	<p>Not Achieved</p> <p><i>Outcome and output indicators:</i> Where the specific target or action committed to has not been achieved by the end of FY and performance is below 75%</p>
	<p>No Assessment</p> <ul style="list-style-type: none"> • <i>Outcome and output indicators:</i> Where no data has been provided, either because the indicator is not measured annually or the provider has not submitted the data • <i>EFP:</i> Where data or information provided is insufficient that assessments could not be possible.



CRITICAL CHALLENGES AND GAPS

- i. Inadequate capacity and funding of M&E function.
- ii. Shortage of specialized and appropriate skills & experience in M&E systems.
- iii. Digital gaps, including lack of the modern tools and applications for collection, processing and analysis of M&E data;
- iv. Inadequate appreciation of the importance of M&E at high levels of government, leading to marginalization of the M&E function in the government and limited evidence-based planning and budgeting.
- v. Transparency deficit, perpetrated by errant officials who tend not to fully cooperate with requirements of M&E systems.
- vi. Lack of proper records keeping/maintenance, which undermines accurate M&E, especially in local governments.
- vii. Frequent transitional shifts in policy and government structures, where Government frequently changes structures of government, policies and priorities hence, complicates the M&E function as it impacts earlier plans and targets;
- viii. Lack of evidence-based planning and budgeting means that budgets do not “speak” to plans hence implementation of disjointed action plans with minimum impact.



RECOMMENDATIONS



- a) **Cultivating mind-set change towards appreciating M&E function**, through a 5-year change management programme targeting the key planning/budgeting officials across government MDAs and LGs , including design of appropriate messages, Preparation of materials, and delivery of the materials/messages.
- b) **Consolidating the institutionalization and capacity of the M&E function** by upgrading the M&E functional structures from small, marginalized units to sizeable sections, as well as more internal allocation of more resources and facilitation.
- c) **Leveraging ICTs and digital systems for M&E data**, through initiatives towards interconnectivity between the various institutions, electronic data sharing, timely access and the establishment of an Enterprise Resource Planning (ERP) systems, electronic information dashboards and Balanced Score Cards (BSC) for the performance-based staff contracts.



RECOMMENDATIONS



- d. **Enhancing M&E data quality, timeliness and credibility** , through multiple interventions including: ensuring that M&E data outputs are aligned and harmonized with the planning and budgeting information needs, acquaintance with planning and budgeting cycles to ensure that key M&E evidence is generated and disseminated in a timely manner, ensure professional data generation processes, and UBOS to ensure high quality, standardized and accessible data for all government data users.
- e. **Improving fiscal discipline and political accountability**, through renewed fiscal prudence and respect for evidence based planning & budgeting at the highest levels of government, measures enhancing domestic revenue mobilization efforts by the Uganda Revenue Authority (URA) while maintaining government expenditure within reasonable confines that reflect prudent management of government debt, and keeping supplementary budgets to a bare minimum and only for justifiable causes, and generally trying to spend within government means.

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RECOMMENDATIONS



- f. **Reigning in external distortions of government plans and budgets**, including improved negotiation for aid at reasonable development aid conditions, ensuring domestic resource self-sufficiency in the long term; and proactive disaster management and resilience against potential external shocks through a reasonable disaster response contingency plan.



NEXT STEPS FOR IMPROVING THE USE OF M&E IN DEVELOPMENT PLANNING AND BUDGETING



1. Cultivating mind-set change towards appreciating M&E function:

The focus will be on the sensitization and re-education of key officials across government to fully appreciate the critical role of M&E data in planning and budgeting.

The 3-step programme will include:

- (a) Design of appropriate messages to help the officials embrace M&E;
- (b) Preparation of materials;
- (c) Dissemination and delivery of the materials/messages;

2. Consolidating the institutionalization and capacity of the M&E function:

(a) Upgrading the M&E functional structures (e.g. from small marginalized units to sizeable sections)

(b) Internal allocation of more resources and facilitation to M&E (e.g. more adequate staff with the required skills, funding for field work activities, transport and data collection & analysis tools);

NEXT STEPS FOR IMPROVING THE USE OF M&E IN DEVELOPMENT PLANNING AND BUDGETING



3. Leveraging ICTs and digital systems for M&E data:
consolidation of existing systems and efforts, especially towards interconnectivity between the various institutions, electronic data sharing, timely access and the establishment of a planning /budgeting data centre in each MDA, Enterprise Resource Planning (ERP) systems, electronic information dashboards, Balanced Score Cards (BSC) for the performance based staff contracts.

NEXT STEPS FOR IMPROVING THE USE OF M&E IN DEVELOPMENT PLANNING AND BUDGETING



4. Enhancing M&E data quality:

- a) All M&E units across government - ensure that their data outputs are aligned and harmonized with the planning and budgeting information needs as per NDP III guidelines and programme targets/indicators;
- b) M&E units across government MDAs/LGs - acquaint themselves with the planning and budgeting cycles and ensure that key M&E evidence is generated and disseminated in a timely manner;
- c) M&E units across government should - ensure that the data generated is professionally generated(methodologies, sampling and analysis).
- d) The Uganda Bureau of Statistics (UBOS) - exercise its mandate of ensuring high quality central statistics, standardized data collection and management across government, professional guidance and serve as a focal point for all government data users.

NEXT STEPS FOR IMPROVING THE USE OF M&E IN DEVELOPMENT PLANNING AND BUDGETING



5. Improving fiscal discipline and political accountability:

- a) Adopting respect for evidence based planning & budgeting at the highest levels of government, starting with the Executive/Cabinet;
- b) Implementation of measures enhancing domestic revenue mobilization efforts by the URA (e.g. new or under taxed sectors like rental tax, agriculture, oil & gas) while maintaining government expenditure within reasonable confines that reflect prudent management of government debt;
- c) Keeping supplementary budgets to a bare minimum and only for justifiable causes, and generally trying to spend within government means. Parliament, as an independent arm of government with an oversight mandate, should help to reign in the executive and the powerful politicians on the merits of evidence based planning/budgeting and the dangers of *ad hoc* programmes that tend to derail or undermine objective planning/budgeting processes.



NEXT STEPS FOR IMPROVING THE USE OF M&E IN DEVELOPMENT PLANNING AND BUDGETING



6. Reigning in external distortions for government plans and budgets:

The key issues are external and include the “strings” that come attached to some of the development aid, international shocks, natural disasters and other unforeseen occurrences.

- a) Improved negotiation for aid and ensure reasonable development aid conditions in the short/medium term and domestic resource self-sufficiency in the long term;
- b) Proactive disaster management and resilience against potential external shocks, through ensuring that a reasonable proportion of the annual budget for purposes of prompt disaster response, hence maintain planning/budgeting stability and promote the use of objective M&E data rather than “panic mode” resource allocations due to “unforeseen” disasters and shocks.



