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THE REPUBLIC OF UGANDA

Ministry of Finance, Planning &
Economic Development
Plot 2-12, Apollo Kaggwa Road
P.O. Box 8147
Kampala
Uganda

06 September 2021

All Development Partners (See Distribution list)

MANAGEMENT OF DEVELOPMENT ASSISTANCE

Government of Uganda appreciates the continuous support received from Development Partners over the years. In order to streamline the operations of Development Assistance and to ensure that the people of Uganda obtain maximum benefits from the assistance the Country gets from our Partners, we wish to advise and guide as follows:

- i) **Country Strategy Papers (CSPs):** All Development Partners should have jointly prepared Country Strategy Papers with Government to ensure that the proposed support is in line with the Uganda's aspirations as enshrined in Vision 2040 and the National Development Plan III. These Strategy Papers should be prepared in consultation with all stakeholders including the Private Sector and relevant Civil Society Organizations. The CSPs should also be signed off by the Minister responsible for Finance in line with Uganda's Laws and in the spirit of ownership.
- ii) **Signature of Agreements for all Development Assistance:** All projects and programmes funded by Development Partners in Uganda shall be signed off by the Minister responsible for Finance in line with the laws of Uganda. This will ensure that there is no duplication of efforts by different Partners and Government.

In addition to the above, all projects and programmes shall be implemented together with and in consultation with the relevant Government Department or Agency to ensure sustainability of the investments carried out. The respective MDAs shall be consulted while preparing the project or programme.

The above guidance applies to all programmes to be implemented by Civil Society Organizations and the private sector in line with the agreed on Paris Principles of aid effectiveness.

- iii) **Contents of the Specific Agreements mentioned under ii above:** The agreements signed shall include among others:
 - Obligations of all parties,
 - The accounting, reporting and monitoring arrangements,
 - The specific Government MDA that shall be responsible for overall supervision of the project or programme.

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"

iv) **Approval by Cabinet of all assistance:** In addition to the above, all projects and programmes implemented by Development Partners, will require prior approval of Cabinet before signature by the Minister of Finance and implementation. Development Partners are therefore encouraged to submit these projects and programmes to the Minister of Finance well in advance to enable timely internal clearances. Prior consultation with the respective MDAs and Sectors is advised to ensure adequate internal discussions during Cabinet deliberations.

v) **All Development Assistance should be reported on budget:** All projects and programmes shall be reported and appropriated by Parliament including those whose accounts will be managed off the Treasury Single Account. A special arrangement has been provided for reporting under the Programme Based Budgeting System to cater for the scenario above. This implies that all projects and Programmes financed by Development Partners shall be reported to Government for budgeting purposes.

vi) **Use of the Aid Management Platform to report:** The Ministry of Finance with support of DPs has over the years developed the Aid Management Platform. This is a tool for ensuring that all Development Assistance is reported on by DP's and Government. We urge you to use the system which will enable the Government have a comprehensive view of all development cooperation efforts.

The above are the guidelines that Development Partners are expected to follow to ensure transparency and ownership by all Parties. Government will further provide a detailed Development Cooperation Policy after consultation with Cabinet. The above principles apply to all Overseas Development Assistance (ODA) including off budget support operations.

We Look forward to further discussion with you over the matter.



Matija Kasajja (MP)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

- c.c. The Rt. Hon Speaker of Parliament
- c.c. The Rt. Hon Deputy Speaker of Parliament
- c.c. The Rt. Hon Prime Minister
- c.c. All Hon Ministers
- c.c. All Hon Ministers of State
- c.c. The Chairperson, National Planning Authority
- c.c. The Chairperson NGO Bureau
- c.c. The Ag, Executive Director, Private Sector Foundation

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