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THIS ACTION IS FUNDED BY THE EUROPEAN UNION

ANNEX 2

of the Commission Decision on the financing of the Annual Action Programme 2019 in favour of the Republic of Uganda

Action Document for "Technical Support Programme 2 (TSP2)"

1. Title/basic act/ CRIS number	Technical Support Programme 2 (TSP2) CRIS number: UG/FED/041-780 financed under the 11 th European Development Fund (EDF)			
2. Zone benefiting from the action/location	Uganda The action shall be carried out at the following location: the whole country.			
3. Programming document	National Indicative Programme (NIP) 2014-2020 for Uganda			
4. Sustainable Development Goals (SDGs)	Main SDG n°17 (Partnership for the goals), which in turn contributes to the success of all other SDGs.			
5. Sector of intervention/ thematic area	Support measures	DEV. Assistance: YES ¹		
6. Amounts concerned	Total estimated cost: EUR 7 900 000 Total amount of EDF contribution EUR: 7 900 000			
7. Aid modality and implementation modalities	Project Modality Direct management through: - procurement - grants Indirect management with the Government of Uganda			
8 a) DAC code(s)	15110 (Public sector policy and administrative management) and 15111 (Public finance management)			
b) Main Delivery Channel	10000 – Public Sector Institutions			
9. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ Official Development Assistance is administered with the promotion of the economic development and welfare of developing countries as its main objective.

	Gender equality and Women's and Girl's Empowerment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Global Public Goods and Challenges (GPGC) thematic flagship	N/A.			

SUMMARY

The action intends to contribute to Uganda's "*Vision 2040*" and to the achievement of the SDGs by 2030. The EU contribution will mainly benefit the National Indicative Plan's focal sectors. The action will support the smooth transition from the 11th European Development Fund to the future Multiannual financial framework as well.

In order to ensure that the projects/programme within these focal sectors are smoothly, timely and successfully implemented, this action also aims to support the National Authorising Officer (Ministry of Finance, Planning and Economy Development – MoFPED) in its coordinating and supervising role. Given MoFPED's role vis-à-vis the Development Partners, the action will also reinforce its ownership and capacities for policy dialogue for an effective aid delivery, in line with the Paris Declaration.

Finally, with the contribution of this action, the EU-Uganda partnership will receive due visibility.

Given the above context, a flexible approach will be adopted to achieve the intended objectives and results: suitable contracting modalities (service, supply, grant, programme estimate) will serve the purposes of the various initiatives (studies, surveys, technical assistance, logistics support, projects, capacity building, etc.).

1 CONTEXT ANALYSIS

1.1 Context Description

Uganda is a stable country with relatively well-functioning public institutions and a liberalised economy. President Museveni, in power for 33 years, is a crucial regional player. Uganda's "*Vision 2040*" intends to transform Uganda into a modern and prosperous country by 2040, breaking down the period 2010-2040 into six National Development Plans.

Uganda's population growth rate of 3.2 % in 2015 makes it the third fastest growing country in Africa. It is forecasted to maintain a very high rate of population growth over the next 25 years and to see its population double by 2040, reaching 76 000 000 (while the National Development Plan foresees 61 000 000). This is already putting a strain on natural resources

and social services. Employment creation is and will be the major challenge. Even with the high rates of economic growth, employment creation has been too limited, especially among young people and women.

Economic performance in Uganda is slowly recovering amidst lowering global economic growth. Estimates show that the economy expanded by 6.1 % in 2018 – the highest growth rate registered since 2011. This impressive growth outcome was largely driven by favourable weather conditions that boosted agricultural production, government investment in infrastructure, foreign capital investment in oil and gas and low inflation of 2.2 %.

Natural resource-based sectors such as agriculture, minerals, forestry and fisheries, continue to remain the largest job providers. Agriculture will remain the most important sector in Uganda's economy in terms of food security and nutrition, employment, income, raw materials for industry and exports to regional and international markets. The sector contributes about 25 % to the Gross Domestic Produce (GDP) and directly employs over 70 % of the total labour. Tourism, which relies primarily on the country's natural and cultural wealth, has a huge job creation potential. In 2006, commercial quantity of oil in Uganda was discovered. Since then the government has set ever-shifting dates for the start of the sale. The latest development, according to the Energy minister, set 2022 as starting date for oil production.

Overall, while a solid legal framework exists, substantial implementation gaps remain for good governance and human rights. Weaknesses in public service delivery, oversight in the judicial system all impinge disproportionately on the most vulnerable sections of society, in particular the poor, women and children, infringing the right to development. They also reduce the effectiveness of resource allocation, are a disincentive to investment and ultimately reduce economic growth prospects. Ongoing violation of human rights and fundamental freedoms including political, civil, social, cultural and economic rights, are still an issue in the country.

1.2 Policy Framework (Global, EU)

At global level, the United Nations 2030 Agenda for Sustainable Development and the SDGs, the Paris Agreement and the Addis Ababa Action Agenda in 2015, are the main policy frameworks of EU external aid. In October 2018, Uganda launched, together with UN system in the country, a National Roadmap for the implementation of the SDGs².

The Global Strategy for the EU Foreign and Security Policy of 2016³ and the new European Consensus on Development "our world, our dignity, our future"⁴ have guided EU policies in Uganda, notably in the mid-term review of the 11th EDF National Indicative Programme⁵ (NIP) that will come to an end in December 2020.

The action will be framed in the context of the next Multiannual Financial Framework 2021-2027. The Commission is currently developing a combined instrument channeling the biggest share of external action funds⁶.

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http://www.ug.undp.org/content/uganda/en/home/presscenter/articles/2018/Uganda_launches_national_roadmap_for_implementing_the_SDGs.html.

3 http://eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf.

4 OJ C 210 of 30.6.2017.

5 The Government of Uganda and the EU decided to broaden the scope of the first two focal sectors ("Transport Infrastructure" and "Food Security and Agriculture") in order to have only one encompassing "Inclusive Green Economy" sector, besides the "Good Governance" sector.

6 Including both geographic and thematic funds, the Neighborhood, Development and International Cooperation Instrument, will increase the effectiveness and visibility of the EU's external policies, strengthen coordination with internal policies and give the EU the flexibility for a faster response to new crises and challenges.

The Commission communication "A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries"⁷ underlines EU's ambition of promoting eco-entrepreneurships and green job creation, while the Commission's Communication on a new Africa-Europe Alliance for Sustainable Investment and Jobs: Taking our partnership for investment and jobs to the next level⁸ aims at unlocking private investment and exploring the huge opportunities that can yield benefits for African and European economies alike, with a specific focus on jobs for youth, responding also to Africa's demographic patterns.

Over the past year in Uganda, the EU and its Member States have been intensively developing an "EU Response to Forced Displacement in the Framework of the Comprehensive Refugee Response Framework in Uganda 2018-2020 and post-2020". An EU Humanitarian-Development-Peace Nexus Action Plan was endorsed in October 2018. Its purpose is to encourage humanitarian, development and political/diplomatic actors within the EU to add value to each other's work by identifying collective objectives to work better together, go beyond co-ordination for short-term results and harness collective action towards longer-term strategic objectives. Beside the NIP, several instruments support EU cooperation with Uganda, in particular the Regional Indicative Programme for Eastern Africa, Southern Africa and the Indian Ocean (2014-2020), the EU Emergency Trust Fund for Africa and thematic budget lines (Democracy and Human Rights, Civil Society Organisations and Local Authorities).

1.3 Public Policy Analysis of the partner country

Uganda Vision 2040 has been implemented since 2010 through six 5-year National Development Plans (NDP). Current NDP II⁹, which will come to an end in July 2020, aims at propelling the country towards middle income status by 2020 through strengthening the country's competitiveness for sustainable wealth creation, employment and inclusive growth. This target is unrealistic, given in particular that the first oil is not expected before 2022 at the earliest. NDP III, currently under preparation, will cover the period July 2020 – June 2025.

The Uganda Partnership Policy¹⁰ (2013) defines the roles and responsibilities of key Government authorities with regards to the coordination of development assistance and aims to strengthen institutional capacities for the coordination of Government relations with the Local Development Partners Group (LDPG). In response to the Partnership Policy, the Government of Uganda and LDPG have agreed on a framework for the joint partnership dialogue on development and development effectiveness guided by the NDPs and aligned with Government budget and planning processes. This involves annual high-level engagement at a high-level National Partnership Forum, as well as regular engagement through the LDPG and joint Sector Working Groups.

In addition, the action will refer to specific sector policies and strategies, such as the Uganda Green Growth Development Strategy¹¹, launched in November 2017, according to the activities identified and implemented along the way.

1.4 Stakeholder analysis

The National Authorising Officer (NAO) in Uganda is the Minister of Finance, Planning and Economic Development (MoFPED). From the end of the 10th EDF onwards, responsibility for

⁷ COM(2014)263 final of 13.5.2014.

⁸ COM(2018)643 final of 12.9.2018.

⁹ <http://ngoforum.or.ug/wp-content/uploads/downloads/2015/03/NDPII-Draft-3rd-March-2015-1pm.pdf>.

¹⁰ <https://www.ldpg.or.ug/national-coordination/national-coordination-framework/uganda-partnership-policy/>.

¹¹ <https://www.ndcs.undp.org/content/dam/LECB/docs/pubs-reports/undp-ndc-sp-uganda-ggds-green-growth-dev-strategy-20171204.pdf>.

managing the tasks of the NAO within the MoFPED has been mandated to the Development Assistance and Regional Cooperation department (DARC) – former Aid Liaison Department – and to the Treasury Services Department (TSD). The role of the DARC is to mobilise use of donors' resources for Government programmes. Therefore the DARC is in charge of project programming/strategic orientation, coordination, monitoring and compliance with the existing contractual obligations. The TSD's mandate is to effectively and efficiently manage government statutory debt obligations, the Contingency Fund and provide policy guidance on asset management. Therefore, the TSD's role within the NAO is to ensure accounting and compliance with the financial procedures are in force.

The four Deputy NAOs are: the Permanent Secretary/Secretary to the Treasury, the Accountant General, the Director of the Treasury Services and Assets Management (TSAM)/TSD and the Director of Debt and Cash Policy (DCP)/DARC.

The NAO should be seen as a system within the MoFPED, including relevant departments involved in the EDF implementation and a Support Unit financed by the EDF. The Support Unit to the NAO helps in the day-to-day implementation, monitoring, financial execution and closure of the EDF projects under the direct supervision of the Director of the TSAM and in cooperation with the Director of the DCP.

The efficiency and effectiveness of the NAO is critical to the successful implementation of national and regional (if managed from Uganda) EDF programmes, and overall aid coordination and reporting.

In addition to the MoFPED, several additional stakeholders are currently involved in the implementation of the 11th EDF and may be involved in the future implementation of the next multi annual financial framework, in each of the focal sector of the NIP¹². In particular, Non-State Actors are stakeholders in this action both for their consultative/advice role and for possible implementation of specific activities.

1.5 Problem analysis/priority areas for support

The efforts to create a solid cooperation framework between the EU and the Government of Uganda is an open ending endeavour due to:

- Staff turnover at EU and Government of Uganda levels,
- Changes of the political agenda of both the EU and Uganda,
- New frameworks for cooperation due to new global challenges (climate change, economic migration, trade issues, economic crisis and hence reduction, or at least, reallocation of external aid resources, etc.) and regional/national prospects (population growth – and its consequences, such as unemployment, insecurity, deforestation, oil extraction, refugees influx, increasing external debts, etc.).

Those challenges will have an impact on the implementation of the SDGs if they are not tackled in an efficient way.

Therefore, the priority areas for support are: (i) continued enhanced overall capacity of the NAO in the process of identifying, formulating, implementing, monitoring and evaluating EU cooperation projects/programmes implemented by Ministries, Departments, Agencies and

¹²

For the 11th EDF:

Good governance: Office of the Prime Minister (OPM), Ministry of Local Government, Ministry of Public Service, Ministry of Internal Affairs, Ministry of Gender, Labour and Social Development, Public Service Commission, Uganda Revenue Authority, Public Procurement and Disposal Authority, Office of the Auditor General, Inspectorate General of Government, Anti-Corruption Division, Judiciary, Criminal Intelligence & Investigative Directorate, Directorate of Public Prosecution, Parliament, and Public Accounts Committee, Civil Society Organisations.

Green Economy: OPM, Ministry of Agriculture, Animal Industry and Fisheries, Ministry of Water and Environment, Ministry of Works and Transport, Uganda National Roads Authority, Uganda Road Fund, Uganda Railway Cooperation, Ministry of Energy and Mineral Development, private sector organisations.

Local Governments (MDLAGs); (ii) active participation and capacity of the beneficiary/implementing MDALGs in the different stages of the project cycle management, so as to ensure policy coherence; in spite of past cooperation with given MDLAGs in EDF programmes/projects, it is expected that new staff will be engaged in future Actions: these staff will be targeted; (iii) effectiveness of development cooperation through greater national ownership and leadership – under the principles of the United Nations 2030 Agenda for Sustainable Development, the SDGs and the Paris Declaration – improved policy coherence and increased transparency and accountability between the Government of Uganda and LDPG and between the Government of Uganda and its citizens in the management of development cooperation; (iv) improved overall visibility and communication of the EU-Uganda cooperation, not only to increase knowledge and acknowledgement among the Uganda public about the EU contribution to Ugandan development, but also to bring across development messages.

2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Political interference (development and cooperation dictated by the political agenda).	M	(1) Linkage of sector-level dialogue with National Partnership Forum dialogue, i.e. high-level policy dialogue between Government and development partners, to raise critical issues if necessary. (2) Regular review of the overall EU-Uganda partnership (development and political relations). (3) Robust, objective procedures and transparency in the development of sector plans and policies.
Lack of policy coherence and weak commitment of line ministries and MDALGs.	L	This risk can be mitigated by a strong coordination role of the NAO. TSP 2 will follow the path of TSP 1 and further enhance the latter's achievements (solid Support Unit, <i>ad hoc TA</i> , support to outreach activities, etc.).
Low absorption of technical assistance and studies component.	L	This risk, which in TSP 2 is lower than in TSP 1 due to the reduction of the overall fund (from EUR 12 100 000 to EUR 7 900 000) will be mitigated by: (1) aligning financial planning figures with actual needs and past experience; (2) raising awareness of key implementing stakeholders for the availability of TSP 2 funds.
Capacity building in EU procedures and project cycle management are nullified by staff turnover in key line ministries, further exacerbated by conflicting assignments for staff involved in the planning/implementation of EU programmes.	M	Staff turnover cannot be avoided and negative consequences will be mitigated by: (1) offering annual training cycles open to all implementing stakeholders; (2) multi-annual Programme Estimate providing higher job-security to the NAO Support Unit staff; (3) consolidate the capacities of the NAO Support Unit for it to offer continuing support also to implementing partners.

Political instability in relation to the 2021 election	M	At the moment, the likeliness of this risk and its consequences are hard to predict, likewise the mitigation measures.
Assumptions		
<ul style="list-style-type: none"> • Political, economic and social conditions remain within a good degree of stability, i.e. no major disruptions will occur. • Progress to maintain the underlying principles as laid out in the Cotonou Agreement is sustained. • 11th EDF programmes generate tangible results, thus maintaining interest and ownership from the beneficiary institutions. • The NAO provides adequate guidance to beneficiary institutions for continuous and fruitful involvement in post-2020 programming and implementation. • Key line ministries/agencies provide suitable staff for implementation of projects and avail them for training when required. 		

3 LESSONS LEARNT AND COMPLEMENTARITY

3.1 Lessons learnt

The action builds on the lessons drawn from the first Technical Support Programme (TSP1), in particular to its design allowing for a good degree of flexibility. By definition, TSP 1 and 2 are "support programmes" aiming at responding to *ad hoc* needs and therefore at facilitating the implementation of the overall EU-Uganda cooperation. TSP 2 is designed to embed an even higher level of flexibility and openness, both in terms of implementing modality and scope. It should allow involvement of the Government of Uganda in international fora and policy dialogues of global importance, such as climate change, peace and stability/refugees, migration, anti-terrorism, etc. to reinforce the leading capacities of the MoFPED vis-à-vis the Development Partners. An ex-post evaluation of the Technical Cooperation Facility IV (previous generation of the TSP) – implemented between October 2012 and October 2016 – is currently ongoing; preliminary observations have been taken into consideration for the identification of TSP2. In particular, the transition from the 11th EDF to the post Cotonou Agreement has been considered: the action embeds an adequate degree of flexibility which will enable the achievements of the overall objective notwithstanding the expected changes at the overall EU-Africa partnership framework level.

With regard to the Aid Management Platform, the TSP 1 has offered support to the development and maintenance of the platform, to the training of trainers, and to build the capacities and the commitment of the Development Partners. Based on the experience of implementing the tool for a few years, it is foreseen that TSP 2 support to the Platform will be provided to technical maintenance, including upgrading if deemed necessary, and to the MoFPED/DARC efforts to ensure constant engagement by and capacity building of the Development Partners.

With regard to communication and visibility (C&V), during the 11th EDF, three consecutive service contracts with specialised communication companies have been implemented with the aim of assisting the EU Delegation in C&V activities to enhance the visibility of the EU-Uganda partnership. This experience has demonstrated that the EU Delegation needs support for smooth and timely implementation of communication activities. TSP 2 will thus follow this approach. The latest of these C&V support contracts will last until mid-2021.

3.2 Complementarity, synergy and donor coordination

Under the current TSP 1, a 3-year Technical Assistance (TA) to the MoFPED is being launched. This TA is part of a wider Partnership Coordination Programme, launched by the World Bank (being one of the LDPG chairs), aiming at fostering a high quality, focused and

mutually owned partnership dialogue, led by Government, and based on clear and congruent development effectiveness priorities. The Partnership Coordination Programme supports three departments/structure: the Office of the Prime Minister, the MoFPED (financed through TSP 1) and the Local Development Partners Group. The Partnership Coordination Programme includes also provision for short term consultancies for evidence-based partnership dialogue.

A concrete example of Donors' coordination is the joint response to the refugees' crisis and, more specifically at EU level, the Humanitarian-Development-Peace Nexus and its Joint Plan of Action. It has notably brought opportunities for EU visibility, supported by the EU Emergency Trust Fund for Africa.

4 DESCRIPTION OF THE ACTION

4.1 Overall objective, specific objective(s), expected outputs and indicative activities

The **general objective** of the action is to support Uganda's progress towards the SDGs through the achievement of EU-Uganda cooperation goals.

The **specific objective** of the action is to support the successful completion of the 11th EDF projects/programmes (2014-2020) and to support the Government of Uganda in the programming, identification and formulation of projects/programmes under the next Multiannual Financial Framework of development assistance and the third National Development Plan (2021-2025) of Uganda.

Expected results:

- Results 1: EU-Uganda development cooperation – Quality programming, implementation and monitoring of EU programmes is guaranteed.
- Result 2: Uganda-Development Partners policy dialogue – NAO capacity is reinforced in its partnership with Development Partners, in particular the EU.
- Result 3: Communication & Visibility – Visibility and awareness of the Uganda-EU partnership is increased.

Indicative activities:

Tentative activities to be implemented:

Linked to Result 1 (Support to the EU-Uganda development cooperation):

- Funding to the NAO for office operations in support of the efficient, effective and sustainable management of EU funds.
- Funding of the NAO Support Unit (staff, office costs, etc.)
- Financial, administrative and logistical support for participation of Ugandan experts and officials at national, regional and international capacity building events in sector specific and/or global issues.
- Financial, administrative and logistical support for the organisation of workshops, trainings, and other capacity building activities intended to Government of Uganda officials involved in EU projects/programmes.
- Short-term Technical Assistance and/or specific technical studies to contribute to the phases of the Project Cycle management for NIP projects/programmes.
- Short-Term Technical Assistance to support the transition to the next Multiannual Financial Framework.
- Short or long term Technical Assistance to the NAO for *ad hoc* needs.
- Initiatives implemented by a wide range of stakeholders and which complement the EDF projects/programmes.
- *Facility* to fund logistics and administrative costs for one off events (conferences, seminars, trainings, gatherings, etc.).

Linked to Result 2 (Support to the Uganda – Development Partners policy dialogue):

- Short or long term Technical Assistance to the NAO for *ad hoc* needs.
- Financial, administrative and logistical support for participation of Ugandan officials/decision makers at national, regional and international events related to policy dialogue on EU related policies and partnerships with Uganda.
- Short-term Technical Assistance and/or specific studies to contribute to evidence-based policy and partnership dialogue.
- *Facility* to fund logistics and administrative costs for one off events (conferences, seminars, trainings, gatherings, etc.).
- Maintenance of the Aid Management Platform and support to enhance its use by the Development Partners.

Linked to Result 3 (Communication & Visibility):

- Technical, administrative and financial support for the implementation of communication activities to ensure the visibility of EU-Uganda partnership.

4.2 Intervention Logic

This action aims to *Support the EU-Uganda partnership* through ensuring that EU funded programmes and projects implemented by the Government of Uganda remain on track and are carried out in a manner that is in line with the different policy documents. The support also aims to ensure that the National Authorising Officer can reach out to other departments implementing EU-funded programmes/projects with the purpose of supporting the achievements of their respective objectives and respecting EU procedures. To this end, Results 1 and 2 will be achieved through a wide range of contractual tools: service, supply, grant contracts and Programme Estimate.

The *Facility* is a suitable mechanism to respond, within a single contract, to a wide range of logistics needs to support the implementation of one-off events contributing to the achievement of the Actions results.

With regard to Communication and Visibility (C&V) experience has demonstrated that external support can significantly facilitate EU Delegation reach out capacities and, above all, EUD rapid reaction to communication opportunities arising unexpectedly. C&V is indeed an area of intervention requiring a fast-track approach.

4.3 Mainstreaming

The action shall contribute to address all cross-cutting issues (gender, resilience, climate change, conflict sensitivity, environment...) as needed. In particular, the relevance to include crosscutting issues will be assessed in all studies that will be commissioned.

4.4 Contribution to Sustainable Development Goals (SDGs)

This intervention is relevant for the United Nations 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDG 17 (Partnership for the goals), which in turn contributes to the success of all other SDGs. It is aligned with all five Ps of the Framework for Action of the "New European Consensus on Development: 'our world, our dignity, our future'"¹³: Peace, Prosperity, Planet, People, and Partnership.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country.

¹³ OJ C 210 of 30.6.2017.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Decision and the relevant contracts and agreements.

5.3 Implementation of the budget support component

N/A

5.4 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁴.

5.4.1 Grants (*direct management*)

(a) Purpose of the grant(s):

TSP 2 includes provision for grant contracts to support the EU to grasp opportunities likely to increase the chances to achieve the intended results of the EU-Uganda development cooperation, including policy dialogue on relevant sectors, as well as visibility of the overall EU-Uganda partnership. Examples of action grants could be: such as short-term actions tailored to complement and/or expand projects/programmes in the NIP focal sectors; advocacy actions for policy reform in given sector; short terms projects ensuring high visibility to the EU.

The expected results of the action grants are:

- Impact and visibility of development cooperation projects/programmes in Uganda is boosted through the supplementary outcomes delivered.
- Policy dialogue is enriched by additional/complementing contributions.

(b) Type of applicants targeted:

A non-exhaustive list of potential applicants is as follows: Ministries, Departments, Authorities, Local Governments (MDALGs), parastatal institutions, civil society organisations, including private sector companies and/or organisations, non for profit national and international organisations/associations operating in socio-economic development, trade unions, research/academia entities, Business, Technical, Vocational Education and Training (BTVET) institutions, international organisations, etc., provided that the grant does not generate profit.

The following non state actors are not eligible for a grant under TSP 2:

- Political organisations/associations/party/movements.
- Financing institutions.

¹⁴

www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

5.4.2 Procurement (direct management)

This concerns service and supply contracts for capacity building and studies under both Results 1 and 2, service contracts under Result 3, and service contracts for Evaluation and Audit.

5.4.3 Indirect management with the partner country

A part of this action with the objective of enhancing the ownership of Government of Uganda, under Results 1 and 2 may be implemented in indirect management with the Government of Uganda according to the following modalities.

The partner country will act as the contracting authority for the procurement and grant procedures. The Commission will control ex-ante all the procurement procedures except in cases where programme estimates are applied, under which the Commission applies ex-ante control for procurement contracts above EUR 100 000 (or lower, based on a risk assessment) and may apply ex-post control for procurement contracts up to that threshold. The Commission will control ex-ante the grant procedures for all grant contracts.

Payments are executed by the Commission except in cases where programmes estimates are applied, under which payments are executed by the partner country for ordinary operating costs, direct labour and contracts below EUR 300 000 for procurement and for grants.

The financial contribution covers, for a tentative amount of EUR 1 000 000, the ordinary operating costs incurred under the programme estimates.

The partner country shall apply the Commission's rules on procurement and grants. These rules will be laid down in the financing agreement to be concluded with the partner country.

5.4.4 Changes from indirect to direct management mode due to exceptional circumstances

If for circumstances outside of the Commission's control, the NAO cannot fulfil its role for indirect management as listed above in section 5.4.3, it is proposed to follow procurement under direct management.

Procurement (direct management)

Subject	Indicative type (works, supplies, services)	Indicative trimester of launch of the procedure
Support to the EU-Uganda development cooperation and development partners policy dialogue	Services, supplies	Over entire duration of implementation
Communication & Visibility	Services, supplies	Second half of the Action duration

5.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

Implementation modality	EU contribution (EUR)
5.4.1 Grants (Direct Management)	1 000 000
5.4.2 Procurement (Direct management)	3 710 000
Services and Supplies to support to the EU-Uganda development cooperation and development partners policy dialogue	3 010 000
Services and Supplies for Communication & Visibility	700 000
5.4.3 Indirect management with the partner country	1 400 000
5.9 Evaluation, 5.10 Audit	1 072 000
Contingency	718 000
TOTAL	7 900 000

The Indicative Budget per Results is presented in appendix 2.

5.7 Organisational set-up and responsibilities

The action shall be implemented by both direct and indirect management. Therefore, a strong coordination mechanism and regular dialogue are essential to achieve the intended results.

The Steering Committee fulfils the role of overall EU-Uganda cooperation coordination at the policy level. It will be essential for the Steering Committee to review the overall progress under the National Indicative Programme.

The Project Management Committee will be responsible to review quarterly progress of TSP 2 and the overall EDF implementation, to discuss payments and contractual issues and agree on follow up actions with a view to supporting the smooth implementation of the overall portfolio. Any such decisions or follow up actions should be taken up within each focal sector.

The already ongoing monthly sector meetings will continue to bring together relevant key implementing partners to discuss individual EDF programmes/projects and agree on actions to overcome possible obstacles/hindrances.

Both the EU Delegation and the National Authorising Officer (NAO) can call for extraordinary meetings, in various set ups, according to the ad hoc needs.

	Meeting frequency	Chair	Participation	Role
Steering committee	Bi-annually	Director Debt and Cash Policy, Head of Cooperation (HoC) EUD	Commissioner DARC, Commissioner TSD, NAO – SU Heads of Sections (EUD)	Policy discussions Review overall NIP progress Review TSP 2 specific progress
Project Management Committee	Quarterly	Director Treasury and Assets Management, Head of Finance EUD	Representatives from DARC, TSD, NAO-SU, EUD	Review progress on payments/contracting and other financial issues Agree on follow up actions if needed

Focal sector meetings	Monthly	Respective Heads of Sector (DARC), Heads of Section EUD	Representatives from relevant Ministries, Departments, Agencies and Local Governments, DARC, TSD, NAO-SU, EUD	Review NIP progress within focal sector Discuss specific implementation issues Agree on follow actions if needed
Overall coordination meetings	Monthly	Director DARC and HOC EUD	Commissioner TSD, NAO-SU, EUD staff as needed	Review overall NIP progress Discuss specific implementation issues, also at sector level Agree on follow actions if needed

5.8 Performance and Results monitoring and reporting

The overarching framework for measuring progress of the programmes at outcome level will be the agreed Monitoring Framework for the Uganda National Indicative Programme. This framework relies to a large extent on the established Government Annual Performance Report.

The day-to-day technical and financial monitoring of the implementation of this Action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the Logframe matrix.

SDGs indicators and, if applicable, any jointly agreed indicators as for instance per Joint Programming document should be taken into account.

Reports shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation. As reported in section 5.7, progress review meetings are envisaged periodically including bi-annual steering committee meetings.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.9 Evaluation

Having regard to the nature of the action, a mid-term and a final evaluation will be carried out for this action via independent consultants contracted by the Commission.

The mid-term evaluation will be carried out for learning purposes, in particular to reassess and adjust the action, if deemed necessary, against the new partnership framework.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that: (i) the action is an open-ended endeavour of which the mechanisms and design, although quite standard, need to be reviewed for it to remain relevant to the EU-Uganda partnership context; (ii) the action falls in the transition period between Multiannual Financial Frameworks.

The Commission shall inform the implementing partner at least 60 days in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

This action will also cover the cost for evaluation exercise of other programmes/projects within the 11th EDF and its successor.

Evaluation services may be contracted under a service contract.

5.10 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

This action will also cover the cost for audit/expenditure verification exercise of other programmes/projects within the 11th EDF and its successor.

It is foreseen that audit services may be contracted under a service contract.

5.11 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

The Communication and Visibility measures will be implemented through service or supply contract in direct management and will also be included in the Programme Estimate in indirect management (see sections 4 and 5 above). These C&V measures will complement the C&V activities implemented at the level of individual projects/programmes.

6 PRE-CONDITIONS

N/A

APPENDIX 1- INDICATIVE LOGFRAME MATRIX

	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Sources of data	Assumptions
Impact (Overall Objective)	To support Uganda's progress towards the SDGs through the achievement of EU-Uganda cooperation goals	Uganda SDG score higher than current 54.9; consequently Uganda ranked higher than current 125th (out 156 countries)	SDGs Index and Dashboard	<i>Not applicable</i>
Outcome (Specific Objective)	(a) To support the successful completion of the 11th EDF projects/programmes (2014-2020) and (b) to support the Government of Uganda in the programming, identification and formulation of projects/programmes under the next Multiannual Financial Framework of development assistance and the third National Development Plan (2021-2025)	(a.1) All 11 th EDF programmes/projects are completed (a.2) EDF-funded projects managed by the Delegation flagged with green lights for Key Performance Indicators 5, 6 in the External Aid Management Reports: at least 90 % (b) AAPs 2020-2025 are approved and implemented	11 th EDF programmes/projects final reports and evaluations NIP monitoring framework, final report and evaluation	Uganda remains a stable country
Output/ Result 1	Quality programming, implementation and monitoring of EU programmes is guaranteed	60 % of 11 th EDF of projects/programmes completed on schedule 11 th EDF payments are made in due time, KPI 10: at least 85% 80% of staff involved in	11 th EDF programmes/projects final reports	Political commitment to the EU-Uganda partnership

		<p>EDF project/programmes trained in EDF procedures</p> <p>Next Multiannual Financial Framework programming is successfully completed in each year of the Action operational duration.</p> <p>Improved global gender gap index rating for Uganda</p>		
Output/ Result 2	NAO capacity is reinforced in its partnership with Donor Partners, in particular the EU	<p>80 % of overall ODA reported through Annual Management Platform</p> <p>National budgets of each year of operational implementation developed using reliable external aid data</p>	<p>Aid Management Platform (AMP) database</p> <p>National budgets</p>	<p>Government of Uganda and LDPG commitment to collect effectively and reliably data on external aid</p>
Output/ Result 3	Visibility and awareness of the Uganda-EU partnership is increased	<p>80% of EDF projects' visibility plans successfully implemented</p> <p>Indicators of the EUD Information and Communication annual reports and forward planning achieved</p>	<p>EDF project/programmes reports on C&V</p> <p>Information and Communication annual reports and forward planning</p> <p>Perception surveys on the image of the EU in Uganda</p>	<p>Sufficient financial and human resources are mobilised to implement C&V activities</p>

APPENDIX 2 - INDICATIVE BUDGET PER RESULTS

Budget item	EU contribution (amount in EUR)
Results 1: EU-Uganda development cooperation – Quality programming, implementation and monitoring of EU programmes is guaranteed.	
1.1 Programme Estimate (indirect management)	1 000 000
1.2 Services, Supplies (direct management)	2 000 000
1.3 Grants (direct management)	1 000 000
Result 2: Uganda – Development Partners policy dialogue – NAO capacity is reinforced in its partnership with Donor Partners, in particular the EU.	
2.1 Programme Estimate (indirect management)	400 000
2.2 Services, Supplies (direct management)	1 010 000
Result 3: Communication & Visibility – Visibility and awareness of the Uganda-EU partnership is increased (direct management)	700 000
Evaluation and Audit (direct management)	1 072 000
Contingency	718 000
TOTAL	7 900 000