

DO WE AS A COUNTRY NEED NEW DISTRICTS?

An Open Letter to Parliament

Dear Honorable Member of Parliament,

We, the undersigned civil society organizations, write to express our deep concerns with the proposal tabled by the Minister of Local Government on July 18th 2012 for the creation of 25 new districts. In particular we are concerned that the proposal has been tabled without the rationale and justification of creating more districts based on a full analysis of the socio-economic and political implications for the country.

It has also disturbingly come to our attention that while the proposal to split Districts is being hurried for final approval, the two critical studies; Rationalization of Local Administrations in Uganda by the Ministry of Local Government and the Review of Local Government Funding by Uganda Local Government Finance Commission; both meant to provide evidence to decision makers on the policy options available are not yet concluded. There is clearly no rationale for spending our tax revenues on such important studies undertakings and not making use of them to the full.

We must remind ourselves that at the time of independence Uganda had 18 districts. In a period of two decades since 1991, they had multiplied from 38 to 42 by 1997, to 78 by 2005 and the trend escalated after the 2006 presidential elections. By the end of 2011 the number was 111 most created just before and after the presidential and general elections. If the proposal for 25 more Districts is considered, the total number of districts will be 137 by 2015.

We as Civil Society Organizations understand that the proposed creation of new districts will be considered by the Public Service and Local Government Committee and discussed on the floor of Parliament soon. We note that according to the Constitution in Article 179 (4), any measure for the alteration of or the creation of districts shall be based on the necessity for effective administration and the need to bring services closer to the people. Are these rationales being considered in the burgeoning district creation enterprise?

Analysis of the benefits and costs of District Creation in Uganda: Has Service Delivery Improved?

Several Studies¹, including by Civil Society Organizations undertaken to assess the impact of district creation on service delivery have generated interesting narratives of perceived benefits of creating new districts as well as potential challenges.

We present highlights below:

A. PERCEIVED BENEFITS

A.1 Improved Planning and Coordination especially for the hard to reach areas: The split of previously large districts into a smaller administrative units, it is argued, leads to an ease of planning, supervision and coordination of service delivery and development of infrastructure, at least in the short run. For instance, the studies found that the creation of Amuru district has yielded benefits such as more boreholes, schools and roads and better coordination and easier monitoring among government officials.

¹ See Reference List at the end of this Open Letter

The key question however remains as to whether the creation of districts perse have to be the main vehicle to spur local development and urbanization. One would argue that with better planning more boreholes, schools, roads and other such infrastructure can and must still be delivered with or without creation of districts as the opportunity cost for doing so is in fact a reduction in available resources for direct service delivery.

A.2 Resolution of Ethnic Conflicts: It has been argued that some of the ethnic conflicts have been solved through the split of conflicting districts. A case in point has been the creation of such districts as Butaleja which provided relief to the Banyole from the alleged marginalization by the Japadhola. This should however be guarded from the individual interests that might override national objectives. Again the question remains as to whether separation, rather than focusing on building social cohesion, even in diversity is the logical thing to do.

A.3 Enhanced Accountability and Transparency: There is the argument that the availability of administrative offices close to the community increases the interface between the communities and government. This provides an opportunity for enhanced local governance accountability. However, from a quality service delivery point of view, which ultimately is what all Ugandans need and deserve, it appears expanding the actual service delivery centers is more critical than creating administrative centres.

This could achieved by building on earlier government commitment to strengthening Lower Local Government (Sub counties, divisions, Parishes & wards) structures. After all LCs exist in almost every village as an avenue for interface with citizens

A.4 Employment Creation: In a country with the highest soaring unemployment levels, district creation is perceived to have provided an opening for the creation of local jobs to the sons of the soil resulting into improved livelihoods for the families and communities. Again the question remains whether more administrative units should be the avenue for creating employment or whether this can be more sustainably achieved through investing in actual productive enterprises such as commercial agriculture and industrialization.

B. CHALLENGES AND DISADVANTAGES

B.1 High Cost of Administration: The multiplication of new districts has increased the costs of administering many more units at the expense of direct service delivery. So while there is a multiplication of political representation posts in form of constituencies and Local Councils, evidence from our studies reveal that it has increased logistical and administrative problems than it actually solves which has resulted into poor service delivery both at the parent and newly created districts. The multiplicity of districts has perpetuated deficiencies in quality assurance due to lack adequate funds leading to increased decentralization of corruption at local government level. The Minister of Local Government noted that each higher local government should be inspected on quarterly basis yet in FY 2009/2010 only 60 out of 112 districts were inspected².

B.2 Absence of requisite Institutional Capacities: The absence of appropriate infrastructure and facilities required to provide a favorable environment for effective service delivery cuts across the country. The new districts often find difficulty attracting qualified personnel to key positions with some operating at merely 8% staffing (Serere, Gomba, Kiryandongo). Further at the time the studies were done, we found cases of local governments operating under a tree (Ntoroko, renting temporary spaces for council meetings (Nebbi) and others operating from another district (Agago).

² MoLG, Ministerial Policy Statement, FY 2010/11

B.3 Patronage or Service Delivery: Evidence from the studies indicates that the creation of small administrative units is driven in large part by political imperatives that are scarcely linked to service delivery and therefore a direct contrast to rest while justifications for decentralization such as 'taking services' closer to the people.

A comparative analysis of approved central government transfers to Local Governments for 2004/5 and 2010/11 indicates that although the national budget for FY 2010/11 was 2.75 times that of 2004/5, the percentage budget allocation to development activities within Local Governments reduced from 5% to 4.2% of the national budget. A more focused example is Poverty Action Fund (PAF) monitoring fund which dropped from UGX 5,029,510,000 in 2004/5 to UGX 2,476,904,000 in 2010/11 yet the number of administrative units had increased from 56 districts and 13 municipals to 112 district and 27 municipalities. Moreover the wage component had increased by 135% from 394,724,445,000 in 2004/2005 to UGX 929,976,644,000 in 2010/11. In many cases functionality of systems is compromised by the desire to reward those that have supported particular political interests rather than service delivery or better downward accountability especially in the face of persistent corruption.

C. LOOKING FORWARD

In our analysis the creation of more districts and unviable administrative units will have catastrophic consequences for Uganda in the long run. It will lead to social disintegration rather than cohesion; it will undermine quality public service delivery as administration is prioritized over production and even lead to greater dependency on the center by many unviable districts. In short, the spirit and letter of decentralization is being shortchanged.

We therefore recommend that:

C.1 Review and Operationalize the Constitutional Provision for district creation

Article 17 of the constitution provides that parliament will set criteria for creating a new district. For example the criteria should be based on an analysis of the social - economic implications. This will ensure effective planning and guard against the spontaneous creation of unviable economic units.

In neighbouring Kenya, new districts can only be created by a resolution recommended by an independent commission set up for that purpose by Parliament; and passed by - the National Assembly, with the support of at least two-thirds of all of the members of the Assembly; and the Senate, with the support of at least two thirds of all of the county delegations – Article 188 of the Kenyan Constitution (2010). It is recommended that Uganda Parliament takes up this as good practice and reverse the haphazard multiplication of District in Uganda.

C.2 Re-configure the budget architecture

The total decentralized managed budget has declined as a share of the national budget from 25.5% to 17% between the Financial Years 2002/03 and 2011/12. In terms of locally generated revenues, despite several interventions by both Central Government and Local Governments, very little has been registered with only a small percentage of about 5% contribution of local revenue to the total local budgets. Even with the newly introduced taxes of Local Service Tax (LST) and Local Government Hotel Tax (LHT) in 2008³, the performance has been dismal. Local government funding should be increased from currently 17% to 50% so as to increase direct investment into social services like health, education, water and sanitation among others. However this should be guided by coherent business plans by Districts that will see them transform from merely administrative units to centers of production.

³ DENIVA study on effectiveness of LST and LHT, 2011

C.3 Government should announce a moratorium on district creation

There is need to suspend any creation of new districts, until an appropriate and cost effective structure of local administration is established to support, monitor and evaluate improvements in service delivery. We particularly urge MPs, as people's representatives to insist on completion of on-going studies by Government meant to inform the rationalization of Local Administrations and reviewing funding of Local Governments as a basis of further actions. Announcing a moratorium on creating new districts will also put an end to local political engineering by local elite that mobilize citizens to demand for districts rather than quality, affordable and gender responsive public services.

D. OUR APPEAL

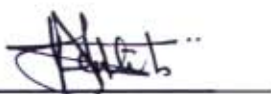
The 9th Parliament and all MPs in it have the historical opportunity to reverse a negative trend that has been building up over the last decades. We implore each MP to put on national and objective lenses and ask whether their legacy should be that they were part of a decision that served the interest of a few rather than the public interest, whether their legacy should be that they created numerous unviable districts, instead of making a case for increased investment in service delivery and whether at the end of the day they want to be remembered for making decisions.

The institutional reputation of Parliament and the future of our children, mothers and fathers lie in your hands. We pray that you trod the right path and course of history.

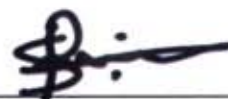
For God and My Country



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Studies on which this write up is based:

1. **Deniva/ActionAid Uganda (2011)**. The Dynamics of District Creation in Uganda, Kampala, Uganda.
2. **Green, Elliott D. (2010)** Patronage, district creation, and reform in Uganda. Studies in comparative international development, 5 (1). pp. 83-103. ISSN 0039-3606, London School of Economics, London, UK.
3. **John A Okidi and Madina Gulola, (2006)**: Decentralisation and Development, Emerging Issues from Uganda's Experience. Economic Policy Research Centre, Kampala Uganda.
4. **Oyuku - Ocen Emmanuel (2008)**: Decentralisation and the Dance of Creating Districts: Graduate School of Development Studies, Institute of Development Studies, The Hague, Netherlands.
5. **Uganda National NGO Forum (2012)**: Decentralization and District Creation in Uganda; improving service delivery or unfulfilled expectations, Kampala Uganda.