

ENVIRONMENTAL AND SOCIAL SYSTEMS ASSESSMENT (ESSA)

FOR

**UGANDA STRENGTHENING PUBLIC INVESTMENT AND ASSET MANAGEMENT
FOR GROWTH AND RESILIENCE (PIM PLUS, P511206)**

Prepared by



July 1 2025

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS	v
ACKNOWLEDGMENT	viii
EXECUTIVE SUMMARY	ix
1.0 INTRODUCTION	1
1.1 Background.....	1
1.2 Program-For-Results as Financing Instrument.....	1
1.3 ESSA Core Principles.....	2
1.4 Purpose and objectives	3
1.5 ESSA Scope and Methods.....	3
1.5.1 Desk Review	4
1.5.2 National Policies	4
1.5.3 National Laws	4
1.5.4 Institutional Analysis	4
1.5.5 Stakeholder Consultation Process:	4
1.5.6 Data Analysis and Report Writing	5
1.5.7 Validation and Disclosure	5
2.0 PROGRAM DISCRIPTION.....	6
2.1 Government's Program	6
2.2 PforR Program Scope	6
2.2.1 Program Development Objective(s) (PDO).....	6
2.2.2 Program boundaries, activities and results	6
2.2.3 Disbursement Linked Indicators and Verification Protocols	7
2.3 Program Beneficiaries	8
2.4 Institutional and implementation arrangements.....	9
2.1 ENVIRONMENTAL AND SOCIAL RISK ANALYSIS AND IMPACTS OF THE PROPOSED PROGRAM	10
3.1 The Exclusion Principle.....	10
3.2 Potential Program Benefits.....	10
3.3 Anticipated Environmental Risks and Impacts.....	10
3.4 Potential Social Benefits.....	13

3.5	Potential Social Risks and Impacts (Negative Impacts)	15
3.5.1	Inadequate stakeholder engagements	15
3.5.2	Exclusion of vulnerable or marginalized individuals or groups and unequal access to benefits and opportunities in Public Investment Management	15
3.5.3	Risk of political interference	16
3.5.4	Risk of human rights violation	16
3.5.5	Corruption and Lack of accountability	17
3.5.6	Risk of violating national Labour laws and working conditions	17
3.5.7	Limited /absence of Grievance Redress Mechanism (GRM) within institutions	17
3.5.8	Displacement of communities	18
3.5.9	Disruption of livelihoods	19
3.5.10	Risk of Gender-Based Violence	19
3.5.11	Risk of Child labour and exploitation	19
3.5.12	Risk of Violation of children rights by contractor and labour force on site	20
3.5.13	Increased risk of spreading HIV/AIDs	21
3.5.14	Non-Payment of Workers, Suppliers and Subcontractors	21
3.0	ANALYSIS OF COUNTRY ENVIRONMENT AND SOCIAL MANAGEMENT SYSTEMS	23
4.1	Procedures for Management of Environmental and Social Risks and Impacts	23
4.1.1	Environmental and Social Assessment Process in Uganda	23
4.2	Procedures for the conducting E&S Assessment under the Program	24
4.0	ASSESSMENT OF COUNTRY SYSTEMS IMPLEMENTATION PERFORMANCE	27
4.1	Performance of ESIA process	27
4.2	Community and Occupational Health and Safety Performance	28
4.3	Implementation of E&S mitigation measures	29
4.4	Monitoring, Supervision and Reporting for E&S	29
4.5	Staffing Level /Human Resource and Technical Knowledge	30
4.6	Enforcement Capacity and mechanisms	31
4.7	Equipment and Tools	32
4.8	Land Acquisition	32
4.9	Stakeholder Engagement	33
4.10	Grievance Redress Management (GRM)	34

5.0	ASSESSMENT OF COUNTRY ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM AGAINST P-FOR-R CORE PRINCIPLES	36
5.1	Core Principle 1: General Principle of Environmental and Social Management	36
5.2	Core Principle 2: Natural Habitats and Physical Cultural Resources	39
5.3	Core Principle 3: Public and Worker Safety.....	42
5.4	Core Principle 4: Land Acquisition	44
5.5	Core Principle 5: Indigenous Peoples and Vulnerable Groups.....	47
5.6	Core Principle 6: Social Conflict.....	49
6.0	RECOMMENDATIONS AND PROGRAM ACTION PLAN.....	52
6.1	Conclusion.....	52
6.2	Strengthening DLIs/DLR	52
6.3	Elaboration of and applying good practices and lessons learnt from previous Programs and Projects in the POM	54
6.4	Program action plan.....	55
	APPENDIX 1: ACTIONS TAKEN BY GOU TO ENSURE INCLUSION AND NON-DISCRIMINATION	58
	APPENDIX 2: ENHANCED IMPLEMENTATION SUPPORT AND MONITORING ON NON-DISCRIMINATION	72
	APPENDIX 3: GUIDELINES FOR IMPLEMENTING MITIGATION MEASURES TO ADDRESS AHA -RELATED RISK	78
	APPENDIX 4: CONSULTATIONS GUIDING QUESTIONS	82
	APPENDIX 5: LIST OF STAKEHOLDERS CONSULTED	85
	APPENDIX 6: ACTIVITIES EXCLUDED UNDER THE PROGRAM	87
	APPENDIX 7: LEGAL AND POLICY FRAMEWORK FOR ENVIRONMENT MANAGEMENT	89
	APPENDIX 8: LEGAL AND POLICY FRAMEWORK FOR SOCIAL MANAGEMENT.....	92
	APPENDIX 9: INSTITUTIONS WITH MANDATE/ RESPONSIBILITY FOR ENVIRONMENTAL AND SOCIAL MANAGEMENT.....	97
	APPENDIX 10: ESSA VALIDATION WORKSHOP PARTICIPANTS.....	99
	APPENDIX 11: LIST OF KEY ISSUES AND RECOMMENDATIONS FROM THE ESSA REPORT VALIDATION WORKSHOP	101

ABBREVIATIONS AND ACRONYMS

APA	Annual Performance Assessment
AGO	Accountant General Office
ATM	Area-Based Transformative Measures
AWP	Annual Work Plan
BMAU	Budget Monitoring and Accountability Unit
BoQs	Bills of Quantity
CAOs	Chief Administrative Officers
CDO	Community Development Officer
CESMP	Contractor Environmental and Social Management Plan
CoE	Center of Excellence
CPF	Country Partnership Framework
CSO	Civil Society Organization
DC	Development Committee
DLG	District Local Government
DLI/Rs	Disbursement Linked Indicators/ Results
DLIs	Disbursement Linked Indicators
DOSH	Department of Occupational Safety and Health
DPP	Directorate of Public Prosecutions
DRMS	Domestic Revenue Mobilization Strategy
E&S	Environmental and Social
eGP	electronic Government Procurement
EO	Environmental Officers
EOC	Equal Opportunities Commission
ESHS	Environmental, Social, Health and Safety
ESHS	Environmental, Social, Health and Safety
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
ESSA	Environmental and Social System Assessment
ESSP	Education Sector Strategic Plan
ELMIS	Environmental Licensing and Management Information System
EISM	Enhanced implementation Support and Monitoring
GBV	Gender Based Violence
GDP	Gross Domestic Product
GoU	Government of Uganda
GRC	Grievance Redress Committee
GRMs	Grievance Redress Mechanisms
IDA	International Development Association
IFMIS	Integrated Financial Management Information System

IFR	Interim Financial Reporting Arrangements
LLG	Lower Local Government
M&E	Monitoring and Evaluation
MDAs	Ministries, Departments and Agencies
MoES	Ministry of Education and Sports
MoFPED	Ministry of Finance, Planning and Economic Development
MoGLSD	Ministry of Gender, Labour, and Social development
MoLG	Ministry of Local Government
MoLHUD	Ministry of Lands, Housing and Urban Development
MOPS	Ministry of Public Service
MoU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTFF	Medium Term Fiscal Framework
MTR	Mid Term Review
MWE	Ministry of Water and Environment
NDP	National Development Plan
NEMA	National Environment Management Authority
NPA	National Planning Authority
O&M	Operations and Maintenance
OHS	Occupational Health and Safety
OPEX	operational expenditures
PA	Paris Alignment
PAP	Project Analysis and Public Investments Department
PAP	Program Action Plan
PBB	Performance-based Budget
PBS	Program Budgeting System
PDE	Procurement and Disposal Entity
PDO	Program Development Objectives
PforR	Program for Results
PI	Public Investment
PIMIS	PIM Information System
PFMRS	Public Financial Management Reform Strategy (PFMRS)
PMT	Program Management Team
PST	Program Support Team
RAP	Resettlement Action Plan
REAP	Resource Enhancement and Accountability Program
SCD	Systematic County Diagnostic
SEA	Sexual Exploitation and Abuse
SH	Sexual Health
UGIFT	Uganda Intergovernmental Fiscal Transfer Program
UGIFT-AF	Uganda Intergovernmental Fiscal Transfer Additional Financing

ULEARN	Uganda Learning Acceleration Program
UPE	Uganda Primary Education
URA	Uganda Revenue Authority
VAC	Violence Against Children
VAT	Value Added Tax
VMGs	Vulnerable Marginalised Groups
UAIA	Uganda Association of Impact Assessors (UAIA),

ACKNOWLEDGMENT

This report was prepared by a World Bank team composed of: Richard Osaliya (Environmental Consultant), Pamela Kwolekwa (Social Development Specialist Consultant), Christine Kasedde (Senior Environmental Specialist), and Maliam Acio Aalangdong (Social Development Specialist). The team acknowledges the technical input received from colleagues in the Bank: Josefo Tuyor (Lead Environmental Specialist/ Regional Standards Coordinator), Sofia De Abreu Ferreira (Lead Social Development Specialist/ Regional Standards Coordinator), Santiago Estanislao Olmos (Senior Social Development Specialist), Constance Nekessa-Ouma (Consultant, Social Development Specialist); as well as for logistical support: Diana Rose Kibenge (Team Assistant). The report was produced under the overall guidance of Paul Jonathan Martin (Manager, East Africa Environment Department) and Maria Gonzalez de Asis (Manager, East Africa Social Sustainability, and Inclusion Department). The team is grateful for the advice and guidance received from Margarita Puerto Gomez (Senior Social Development Specialist), Peter Leonard (Environment & Social Consultant, AFE Development Effectiveness), Martin Henry Lenihan (Regional Environment and Social Standard Advisor), and all others from the corporate unit of the Bank. The team thanks the Task Team Leaders: Verena Maria Fritz (Lead Governance Specialist) and Barbara Kasura Magezi Ndamira (Senior Public Sector Specialist) for input to the report and support with incorporating most of the ESSA recommendations into the project design and the Uganda Country Management for the support. The team would like also acknowledge the valuable contributions and guidance received during ESSA consultations from Government of Uganda (GoU) technical staff in: National Environment Management Authority (NEMA), Ministry of Gender, Labor and Social Development (MoGLSD), Ministry of Finance, Planning and Economic Development (MoFPED), Ministry of Water and Environment (MWE), Ministry of Works and Transport (MoWT), National Planning Authority (NPA), Ministry of Lands Housing and Urban Development (MLUHD among others. The team sincerely appreciates the support received from MoFPED in convening stakeholder consultative meetings and workshops. The team thanks all people who contributed in one way or another during the assessment process.

EXECUTIVE SUMMARY

Introduction

Uganda's Public Investment Management (PIM) system has seen significant reforms since the mid-2010s, led by the Ministry of Finance, Planning, and Economic Development (MoFPED). These reforms are aimed at enhancing project screening, appraisal, and implementation processes. Despite these efforts, challenges persist such as cost overruns, payment arrears, and project delays. Environmental and social (E&S) risks management remained inadequately incorporated in the PIM process and often considered late in investment appraisal process, climate resilience planning remains underdeveloped and limited focus is given to nature-based solutions to climate change during investment appraisal. Budgeting weaknesses lead to funding gaps, and land acquisition issues cause further delays. Procurement inefficiencies and institutional skills gaps hinder effective risk management.

The Government of Uganda sought World Bank support to improve PIM planning, climate resilience, budgeting and implementation. This will be done through the Uganda Strengthening Public Investment and Asset Management Operation (PIM Plus), consisting of a Program-for-Results (PforR) and Investment Project Financing (IPF) components. This document, the Environmental and Social Systems Assessment (ESSA) report for the Program, assessed the environmental and social systems to identify strengths, gaps, and recommendations to enhance positive impact and manage risks to ensure sustainable development outcomes. The ESSA covers the Program (PforR) scope, while the IPF component is covered by its own instruments –the Environment and Social Commitment Plan and Stakeholder Engagement Plan (SEP).

Further to the above-mentioned challenges, in March 2024, following the enactment of the Anti-Homosexuality Act 2023, preparations of all World Bank funded operations are updated to include specific measures to mitigate the risk of exclusion from and discrimination against any affected individuals or groups in providing benefits and opportunities in Uganda. These measures are described in various sections of this document and in Appendices 2, 3, and 4.

ESSA scope and methods

The ESSA assessment involved a review of relevant policies, legislation, institutional roles, and capacities at both national and local levels. It assessed the ability of MDAs to implement systems consistent with Bank PforR financing. The assessment included interviews and consultation meetings guided by a discussion guide, focusing on key institutions and stakeholder perspectives on social and environmental sustainability and risk management. A continuous desk review of Uganda's policies, legal frameworks, and previous ESSAs was conducted. National policies and laws related to environmental and social management were reviewed. Institutional review identified the roles and responsibilities of relevant institutions. Stakeholder consultations included meetings with central government ministries, development partners, and civil society. Data analysis/information synthesis followed a SWOT approach, and the findings informed covenants in the financing agreement, Disbursement Linked Indicators (DLIs), Intermediate Result Indicators (IRIs) and Program Action Plan. Additional consultations addressed potential exclusion and discrimination risks. The draft ESSA was validated through a stakeholder workshop on May 28, 2025, and disclosed on the client's and Bank's websites.

Program description

The PforR Program supports Uganda's Public Finance Management Reform Strategy (2025-2029) and second phase of Resource Enhancement and Accountability Program (REAP II). It aligns with Uganda's National Development Plan IV objectives of building sustainable infrastructure and strengthening governance and includes climate adaptation measures from Uganda's Updated NDCs (2022). The Program focuses on four results areas: (i) improving resource and sector planning and budgeting, including sustainability and resilience, (ii) project readiness strengthened, including resilience and sustainability, (iii) project execution strengthened, and efficiency improved, (iv) asset management and maintenance strengthened. As part of these results areas, activities related to strengthening environment and social system include developing policy frameworks, updating guidelines for environment and social assessment (ESA) and those required for integration of E&S into public investment appraisal by the Development Committee (DC) and asset management, , strengthening enhancing procurement processes, and establishing maintenance plans.

Direct beneficiaries are central Government ministries, departments and agencies (MDAs), while indirect beneficiaries include households and private sector enterprises. MDAs will benefit from improved planning, budgeting, procurement, contract management, asset maintenance, and monitoring. Indirect beneficiaries include households and the private sector who will be able to access better-maintained, climate-resilient infrastructure.

Core implementing agencies will be responsible for the achievement of specific DLRs and implementation of activities of the IPF component. These include the NPA and RCU as coordinators for the IPF PPF and PforR and institutional strengthening activities respectively, and MoFPED, URA, MoWE, MoGLSD, MoWT, NEMA, UIA, and PPDA. These institutions will monitor progress on achievement of results and collect evidence about the status of DLIs, which will then be delivered to the RCU. Fiduciary and procurement support will be provided under the RCU. Respective institutions will develop Terms of Reference (ToR) for required external advisors and manage the TA provided, ensuring sustainability of TA inputs. The Program will also make use of the dedicated Cluster Committees which are responsible for reviewing progress in implementing individual PFMRS results areas. Any issues discussed in the PTC that have implications beyond the implementation of the Program will be referred to the Cluster Committees for further deliberation and action.

Environmental benefits, impacts and mitigation

The Program will mainly involve activities for improving resource and sector planning and budgeting and climate responsiveness; strengthening project preparation and readiness, including climate resilience and sustainability; strengthening project execution and oversight and efficiency – including systems for integrating environment and social sustainability into public investment. It will also enable and incentivise institutional capacity strengthening of NEMA to perform its mandated functions. These activities by themselves are not expected to pose any risks and impacts to the environment.

The Program will not directly fund civil works but will indirectly incentivize maintenance of transport infrastructure (roads and bridges and districts and community access roads as well as key rail and water transport assets) by linking disbursement to the development of maintenance requirements and costs, as

well as increase in maintenance budgets. These activities present substantial environmental, health and safety risks and impacts.

The Program aims to establish a policy framework for multi-year budgeting, aligning the Medium-Term Expenditure Framework (MTEF) with sectoral commitments, and enhancing preparation processes, including feasibility studies and Environmental and Social Impact Assessment (ESIA) compliance. These initiatives will improve budget predictability and integrate environmental and social sustainability, as well as climate resilience, into long-term commitments. Strategies to reduce climate risks will enhance climate regulation, recreation, tourism, health, and food and water security. Key activities include revising budget classifications, incorporating E&S mitigation costs into project designs, redesigning e-Government Procurement modules, and integrating financial and procurement systems. The Program will also develop standards for operations and maintenance, establish an asset management system, and create a framework for tracking and mitigating climate-related asset risks. Mitigation measures for environmental impacts include addressing air quality through dust suppression and maintenance of vehicle used, reducing noise pollution with barriers and noise-reducing equipment, ensuring community and occupational health and safety (OHS) through safety controls and training.

Social benefits, impacts and mitigation

The Program includes activities such as updating valuation guidelines to incorporate methodologies for valuing natural resources, updating District Local Government (DLG) asset valuation rates, and training key implementers on the application of these updated guidelines. The rollout and enhancement of the Land Valuation Information System to support the functionality of MoLHUD's Land Management Information System (LMIS), improve tenure security, streamline the compensation process, and increase transparency in land acquisition. Additionally, capacity-building efforts, including the training of the Chief Government Valuer (CGV) staff and other personnel from implementing agencies on methodologies and approaches to natural resource/capital valuation, will ensure consistent application of updated guidelines and valuation methodologies. The Program aims to enhance the quality of infrastructure services and asset management through strengthened operation and maintenance activities, leading to improved road conditions and reduced travel time. Accessibility for vulnerable and marginalized groups and beneficiary communities will also be addressed, enabling equitable access to essential public services and facilitating trade, movement of goods, and labour mobility, thereby contributing to job creation and income generation.

The Program aims to incentivize better preparation for land acquisition making sure new projects that enter the PIP have a costed Resettlement Action Plan (RAP) or existing right-of-way and also The program will explore opportunity to enhance land acquisition efficiency and transparency through standardized land valuation and an online information system, ensuring fair compensation for Project Affected Persons (PAPs) while mitigating cost overruns and speculation. Additionally, the ESSA assesses social risks within the Program's cultural, economic, and political context, identifying gaps and recommending improvements in grievance management, stakeholder engagement, and inter-agency coordination. Strengthening these mechanisms will support socially sustainable development while fostering trust and cooperation among affected communities. The ESSA team recommends that Program explore opportunity to build the institutional capacity of the Ministry of Lands, Housing and Urban Development (MoLHUD) including other key implementation agencies on methodologies and approach on natural resource valuation to improve the turnaround time of report production and overall efficiency of this process.

The main social impacts to be addressed by the Program include potential risks associated with (i) limited or inadequate stakeholder engagements, (ii) the exclusion of vulnerable or marginalized individuals or group from Program benefits and activities, (iii) land acquisition and physical/economic displacement, (iv) political interference profoundly impacting public investment management, (v) influx of labour during construction activities, (vi) risk of violating national labour laws and working conditions and Occupational Health and Safety Issues, and (vii) the risk of social tension in the community due to lack of access to a functioning grievance redress and limited community engagement, limited /absence of Grievance Redress Mechanism (GRM) within institutions, risk of Gender-Based Violence, risk of child labour and exploitation.

The following mitigation actions have been proposed: (i) inclusive stakeholder engagement at all stages including the selection and appraisal stage is essential, as well as timely update of district valuation rates to ensure accurate assessment of compensation quantum, (ii) updating and disseminating the valuation guidelines with methodologies and approaches for natural resource/capital valuation, and establish robust institutional frameworks, ensure transparency and accountability, (iii) promoting a culture of integrity and professionalism in PIM to integrate labour risk assessments into project selection and appraisal processes, (iv) dissemination and support for MDAs and Local Governments (LGs) to prepare SEPs and establishing GRMs that is aligned with MoGLSD circular prepared under the Uganda Intergovernmental Fiscal Transfer (UGIFT), applying the Enhanced Implementation Support and Monitoring (EISM) GRC for workers as an alternative avenue of reporting labour complaints, (v) recruit additional personnel for NEMA and create a coordination unit at MoGLSD to handle social aspects and appoint a Focal Point at MDAs to improve efficiency, ensure that Labour Officers at MoGLSD and District Local Governments (DLGs) inspect workplaces to ascertain compliance with child labour laws, (vi) improve management of resettlement activities, (vii) provide sensitization on the social risks associated with influx of labour, (viii) address potential exclusion of vulnerable or marginalized individuals or groups from Program benefits and activities, (ix) mainstream functioning grievance redress and community engagement, with provisions for confidentiality to address issues of exclusion based on all types of vulnerabilities, and (x) strengthen the capacity of MDAs, DLGs and other stakeholders in management of environmental and social issues. The ESSA proposes these actions as recommendations to the overall Program Action Plan, DLIs, and input into the Program design.

Assessment of E&S systems performance

The assessment of Uganda's ESIA process reveals alignment with international standards, but highlights significant challenges in compliance, quality, and timeliness. The National Environment Act, Cap. 181 and associated regulations provide clear guidance, yet issues persist with prior assessments, document quality, and approval delays. Projects often proceed without proper environmental and social screening, leading to inadequate consideration of alternatives and mitigation measures. The quality of ESIA reports is compromised by insufficient field verification, inadequate resource allocation, and a lack of adherence to standards by practitioners. Additionally, social aspects such as community displacement and human rights are often overlooked, and public participation is limited.

Community and occupational health and safety performance in Uganda is hindered by weak implementation of legal provisions, with a focus on personal protective equipment rather than more effective incident hierarchy of control measures. High rates of incidents and inadequate management practices are prevalent, particularly in the construction sector. The MoGLSD faces capacity challenges in enforcing labour standards and managing occupational health and safety risks. The implementation of environmental and

social mitigation measures is inconsistent, with poor management practices observed during project implementation. Development partner-financed projects tend to perform better due to stricter compliance demands and better resourcing.

Monitoring, supervision, and reporting of E&S compliance are areas needing improvement. While some agencies have shown progress, there is a lack of consistency across projects. Capacity gaps in key ministries and agencies, such as MoFPED and NEMA, contribute to delays and inadequate follow-up. Enforcement mechanisms are hampered by resource constraints, poor coordination, and insufficient tools and equipment. Land acquisition and resettlement pose significant social risks, with issues such as delayed compensation and reliance on cash compensation leading to long-term hardship for affected communities. Effective stakeholder engagement and grievance redress mechanisms are critical for managing E&S risks, but current practices are often inadequate and fragmented.

Comparison with PforR principles

The assessment of Uganda's environmental and social management systems against the PforR core principles reveals both strengths and gaps. Core Principle #1 emphasizes the need for robust environmental and social management procedures to promote sustainability, mitigate adverse impacts, and ensure informed decision-making. Uganda has a comprehensive legal framework, including the National Environment Act and ESIA regulations, which mandate thorough environmental and social assessments. However, challenges such as inadequate staffing, superficial integration of E&S aspects, and delayed involvement in project planning compromise the effectiveness of these systems. Additionally, weak coordination among agencies and insufficient budget allocations hinders proper implementation and monitoring.

Core Principle #2 focuses on the protection of natural habitats and physical cultural resources. Uganda's legal frameworks, such as the National Environment Act and the National Cultural Policy, provide strong protections for these areas. The country has mechanisms for early identification and mitigation of impacts on sensitive ecosystems and cultural heritage. Despite these strengths, gaps remain in the effective monitoring and enforcement of regulations, particularly in urban areas where activities like wetland reclamation occur. Limited capacity to evaluate the economic importance of natural capital and cultural heritage further exacerbates these issues. Opportunities exist to enhance integration of E&S considerations at early project stages, develop national parameters for environmental and natural resources for use in economic analysis and to strengthen institutional arrangements for better management.

Core Principle #3 addresses public and worker safety, highlighting the need for safe design, construction, and operation of infrastructure. Uganda's OSH Act and guidelines provide a solid foundation for occupational health and safety, supported by MoGLSD. However, coordination issues between NEMA and the OSH Department, weak enforcement of safety protocols, and inconsistent prioritization of safety over production pose significant risks. Enhancing collaboration through systems like the Environmental Licensing and Management Information System (ELMIS), improving training on health and safety management, and ensuring adequate budget allocations for safety measures are critical steps to mitigate these risks and improve overall safety performance in project implementation.

Core Principle #4 emphasizes responsible land acquisition and the protection of livelihoods, ensuring displacement is minimized and affected people receive adequate support to restore or improve their living standards. Uganda's legal framework, overseen by MoLHUD, mandates fair compensation before possession, with public institutions handling acquisition and the Chief Government Valuer approving resettlement packages. Preliminary Resettlement Action Plan (RAP) studies assess financial and social impacts early in planning. However, enforcement remains inconsistent, economic displacement is not explicitly addressed, and livelihood considerations vary across projects. Compensation often lacks cultural

sensitivity, leading to social disruption and risks such as gender-based violence and child labour. The outdated Land Acquisition Act permits government possession before payment, contradicting constitutional guarantees. Additionally, Uganda's resettlement policies fail to provide transitional support, livelihood restoration, and post-resettlement assessments, while obsolete district valuation rates further hinder fair compensation.

Core Principle #5 emphasizes the protection and inclusion of Indigenous Peoples and vulnerable groups in development processes, ensuring equitable access to opportunities. Uganda's legal framework supports the rights of vulnerable groups through policies like the National Gender Policy and Equal Opportunities Commission Act, overseen by MoGLSD. Article 32 of the Constitution mandates affirmative action for marginalized groups. Despite the strengths, there are no clear guidelines for targeting and inclusion, of vulnerable and marginalized groups (VMGs) and other disadvantaged groups. There is lack of meaningful consultation, which hampers engagements in the development process and access to culturally appropriate Program benefits and opportunities. The existing stakeholder engagement, grievance resolution, and feedback mechanisms within different institutions are not positioned to address challenges that are specific to VMGs such as representation and access to Programs, because they focus on issues that affect the mainstream society.

Core Principle #6: Program E&S systems avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes. There is little attention given on preventative measures to address social conflicts across the country, including public debate or policy discourse on crime and violence prevention. There are weak grievance mechanisms to manage social conflicts (including inadequacy in dealing with exclusion and discrimination concerns) at the National and DLG levels. Despite establishing a GRM framework at district local governments and lower local governments, functionality is yet to take root as many LGs are not aware of the circular.

Conclusion and Recommendations

The ESSA for Uganda's PIM Plus Program identifies strengths and gaps in the country's environmental and social management systems. Key strengths include a robust legal framework, dedicated institutions like NEMA and MoGLSD, and efforts to integrate environmental and social considerations into project planning. However, significant gaps such as late integration of E&S aspects, inadequate staffing, weak coordination, and insufficient resources hinder effective implementation and monitoring. The ESSA emphasizes the need for a holistic approach to ensure sustainable development, protect vulnerable groups, and mitigate risks associated with exclusion and discrimination.

To address these gaps, the ESSA includes covenants for inclusion in the Financing Agreement, such as recruiting E&S specialists. The ESSA process also contributed to strengthening the formulation of DLIs in line with the Program, which aims to improve public investment management by enhancing resource planning, project readiness, and execution, including environmental and social considerations. *The Program includes E&S considerations across the four results areas, covering the stage of the investment cycle, to enhance attention to E&S during planning, project preparation, and project execution stages.*

The Program Action Plan outlines actions to improve compliance monitoring and enhance capacity for E&S risk management. Key actions include creating E&S indicators in the Program Budgeting System, incorporating mitigation costs into project designs, upgrading ELMIS, and providing training on ESA guidelines. The plan also emphasizes inter-agency coordination, stakeholder engagement, and the establishment of a grievance redress mechanism. These measures aim to ensure effective management of environmental and social risks, promote inclusiveness, and enhance the sustainability of public investments.

1.0 INTRODUCTION

1.1 Background

Uganda's Public Investment Management (PIM) system has undergone significant reforms since the mid-2010s, spearheaded by the Ministry of Finance, Planning, and Economic Development (MoFPED). These reforms aimed to strengthen project screening, appraisal, and implementation processes, including the establishment of a Development Committee (DC), mandatory feasibility studies, and the introduction of the Integrated Bank of Projects (IBP). Despite these efforts, challenges persist across the PIM cycle, affecting project prioritization, budgeting, procurement, and implementation, including associated environment and social risk and sustainability aspects.

The current PIM system is plagued by inefficiencies such as cost overruns, payment arrears, and project delays, as highlighted in annual compliance audits. Environmental and social aspects are considered late in the investment cycle. Climate risk considerations remain underdeveloped, with inadequate integration of resilience planning into infrastructure projects. Additionally, weaknesses in budgeting and financial planning result in funding gaps, particularly for domestically funded projects. Land acquisition issues further exacerbate project delays, with prolonged processes for identifying and compensating Project Affected Persons (PAPs).

Procurement and contract management challenges contribute to inefficiencies in project execution. Procurement lead times are significantly longer than stipulated, often due to corruption and lengthy appeals. Management of environment and social aspects has improved overtime, however, still faces inadequate early integration of projects formulations, design and implementation coupled with delays in review and approval impact assessment reports by the regulator – the National Environment Management Authority (NEMA). Besides, there are institutional and skills gaps across the public sector to adequately assess and integrate environmental, social and climate change risks considerations during project appraisal, design and implementation to achieve the desired climate-resilient infrastructure and environmental and social sustainability. Contract management systems are largely manual, limiting oversight and accountability. PIM monitoring remains inefficient, with outdated data collection methods and weak integration between monitoring tools and financial systems. Further, asset maintenance remains underfunded, leading to deteriorating infrastructure conditions.

The Government of Uganda (GoU) has requested financial support from the World Bank to address these challenges through a number of multi-faceted interventions, focused on improving PIM planning, attention to climate resilience, strengthened budgeting and implementation, and post-completion asset management. In this regard, an operation – the Uganda Strengthening Public Investment and Asset Management for Growth and Resilience (PIM Plus) – has been prepared.

Further to the above-mentioned challenges, in March 2024, following the enactment of the Anti-Homosexuality Act 2023, preparations of all the World Bank funded projects are updated to include specific measures to mitigate the risk of exclusion from and discrimination against any affected individuals or groups in providing benefits and opportunities in Uganda. These measures are described in various sections of this document and in Appendices 2, 3, and 4.

1.2 Program-For-Results as Financing Instrument

The Program-for-Results Financing (PforR) is one of the World Bank's lending instruments designed to support borrower Programs—i.e. a set of interrelated, government-led development initiatives aimed at achieving a defined goal at the national, subnational, multi-sectoral, or sectoral level. PforR is a results-based financing instrument, meaning that the disbursement of funds from the Bank to the borrower is

contingent upon the achievement of agreed-upon Development-Linked Indicators (DLIs) rather than on the preparation and expenditure of inputs, as is typically the case with the Bank's traditional investment project lending.

The Bank's consideration of PforR investments is based on its assessment of the scope and associated risks of the country-specific programs, including an analysis of the strategic relevance, technical and economic viability, results framework, as well as fiduciary and environmental and social systems and risks related to proposed Programs. Given that the Bank relies on country systems to implement and manage risks related to PforR interventions, the assessment of the country systems focuses on ensuring that the proposed Program interventions can be implemented by the borrower with adequate provisions for promoting sustainable development whilst ensuring efficiency and effectiveness of public expenditure.

Specific to the Environmental and Social Systems Assessment (ESSA), the Bank's PforR policy requires task teams to assess the degree to which relevant country systems (i.e., laws, regulations, guidelines, institutional mandates, and procedures) can promote environmental and social sustainability through the Program, and to ensure that effective measures are instituted to identify, avoid, minimize, or mitigate environmental, social, health and safety impacts of the proposed PforR interventions.

Accordingly, and based on the PforR policy, this ESSA is prepared by the Bank. to support the implementation of program. PIM Plus is a five-year program, US\$200 million operation, of which US\$160 million PforR and US\$ 40 million IPF component, comprising activities that have been drawn from the Public Financial Management Reform Strategy (PFMRS) for 2025-2030 and the associated Resource Enhancement and Accountability Program (REAP) II, which serves to implement PFMRS. Through this ESSA, the Bank team recommends key measures and actions for borrower's consideration to enhance environmental and social management within the PforR Program, which are included in the Program design and Program Action Plan. The assessment to some extent considered the environment and social performance, and lessons learned from recent and ongoing PforR Programs such as the Uganda Support to Municipal Infrastructure Development (USMID) for the Ministry of Lands, Housing and Urban Development (MoLHUD) prepared in 2012, USMID - Additional Fund (USMID AF) 2017, Uganda Intergovernmental Fiscal Transfer Additional Funds (UGIFT AF), Uganda Learning Acceleration Program (ULEARN), and the Greater Kampala Metropolitan Area – Urban Development Program (GKMA-UDP).

1.3 ESSA Core Principles

The ESSA is undertaken to ensure consistency with the six “core principles” outlined in paragraph 8 of the World Bank's policy on Program-for-Results Financing to effectively manage Program risks and promote sustainable development. The six core principles are outlined below:

1. Core Principle 1: Program E&S management systems are designed to (a) promote E&S Sustainability in the Program design; (b) avoid, minimize, or mitigate impacts; and (c) promote informed decision-making relating to a Program's E&S effects.
2. Core Principle 2: Program E&S management systems are designed to avoid, minimize, or mitigate adverse impacts on natural habitats and physical cultural resources resulting from the Program. Program activities that involve the significant conversion or degradation of critical natural habitats or critical physical cultural heritage are not eligible for PforR financing.
3. Core Principle 3: Program E&S management systems are designed to protect public and worker safety against the potential risks associated with (a) the construction and/or operation of facilities or other operational practices under the Program; (b) exposure to toxic chemicals, hazardous wastes, and otherwise dangerous materials under the Program; and (c) reconstruction or rehabilitation of infrastructure located in areas prone to natural hazards.

4. Core Principle 4: Program E&S systems manage the land acquisition and loss of access to natural resources in a way that avoids or minimizes displacement and assists affected people in improving, or at the minimum restoring, their livelihoods and living standards.
5. Core Principle 5: Program E&S systems give due consideration to the cultural appropriateness or and equitable access to, Program benefits, giving special attention to the rights and interests of Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities, and to the needs or concerns of vulnerable groups.
6. Core Principle 6: Program E&S systems avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes.

1.4 Purpose and objectives

The purpose of this ESSA is to assess the capacity of the environment and social systems, identify gaps, and provide recommendations to strengthen the system and capacity to manage environmental and social risks as well as ensure sustainable development outcomes of the PIM Plus Program;

Specific objectives of the ESSA were to:

- a) identify the potential environmental and social risks and impacts (including risks on exclusion and discrimination of vulnerable or marginalized individuals or groups) applicable to the PIM Plus Program interventions.
- b) review the policy and legal frameworks related to the management of environmental and social impacts of the Program interventions.
- c) assess the institutional capacity for environmental and social risk management within the Program.
- d) examine the institutional arrangements for the identification, planning, design, preparation and implementation of the sub-projects under the proposed Program to adequately address and incorporate environmental and social sustainability aspects into the Program.
- e) specify appropriate roles and responsibilities and outline the necessary Program management and reporting procedures for managing and monitoring environmental and social concerns related to the proposed Program.
- f) assess the consistency of the Borrower's systems with six core principles and attributes defined in the Bank's Policy – Program-for-Results Financing, to include assessment of monitoring and evaluation systems for environmental and social issues; and,
- g) propose gap filling measures that will input into the Program Action Plan to strengthen the Program's performance with respect to the six core principles of the PforR instrument.

1.5 ESSA Scope and Methods

The assessment was carried out through a comprehensive review of relevant government (national and local) policies, legislation, institutional roles and capacities, Program procedures, and assessment of the available capacity in MDAs and selected Local Governments (LGs) to implement the existing systems consistent with Bank PforR Financing. It served as a basis for assessing whether present systems utilized by the Program have the resources and authority necessary to mitigate unavoidable impacts and achieve maximal social and environmental benefits. An interview/meeting discussion guide was prepared by the ESSA team to guide discussions and data collection at the national and local level agencies/units that will be involved in the project implementation (Appendix 4). This information collected was used to understand the key institutions strengths and gaps on environmental and social concerns including the feedback mechanisms in place to assess the social and environmental risks and impacts. The stakeholders consulted are listed in Appendix 6.

1.5.1 Desk Review

A review of the existing baseline information and literature material was undertaken which helped in gaining a further and deeper understanding of the PIM Plus Program. The review of secondary data was a continuous process throughout the ESSA preparation. A desk review of Uganda's policies, legal framework, the World Bank PforR Policy and procedures, and the draft Program documents was conducted. The review examined the set of national policy and legal requirements related to environment and social management. The review also examined technical and implementation support documents from previous Programs in Uganda including USMID (2012), USMID AF (2017), UgIFT – AF (2020), GKMA-UDP, and ULEARN. National laws, policies and regulations were also reviewed.

1.5.2 National Policies

The national policies that were reviewed include: the National Environment Management Policy 1994, National Land Policy, 2013, National Water Policy, 1999, the National Policy for Conservation and Management of Wetland Resources, 1995; the National Environment and Social Safeguards Policy, 2018; the Environment Health Policy -2005; the National Policy on Disaster Preparedness and Management, 2010; the National Climate Change Policy, 2015; the Forestry Policy, 2003; the National Construction Industry Policy, 2010; the National Land Policy, 2013; the National Gender Policy, 1997; the National Policy on HIV/AIDS and World of Work 2007; the National Policy on Elimination of Gender Based Violence, 2016; the National Policy for Disability, 2003; the Special Needs and Education Policy, 2021 and the Uganda National Land Policy, 2020.

1.5.3 National Laws

The national laws that were reviewed include: the Constitution of the Republic of Uganda, 1995; the Education Act, 2008; the National Environment Act, No 5 of 2019; Financial Institution Act, 2016; the Water Act, (Cap 152); the Public Health Act, Cap. 281 Occupational Safety and Health Act, 2006; Local Government Act, Cap 243; Physical Planning Act, 2010; the Physical Planning Amendment Act, 2020; the Land Acquisition Act, 1965; the Land Act, Cap 227; Land Amendment Act (2010); National Forestry and Tree Planting Act, 2003; the Historical and Monuments Act, 1967, (Amended 1977); Employment Act No 6, 2006; Workers Compensation Act, 2000; Labour Unions Act, 2006; the Children's Act, 1997 (CAP 59) and the Penal Code. In addition, several environmental regulations were reviewed.

1.5.4 Institutional Analysis

An institutional analysis was also carried out to identify the roles, responsibilities, and structure of the relevant institutions responsible for implementing the Program, including E&S coordination between different entities at the national and local levels. Specifically, the assessment focused on engaging the direct beneficiaries of the PIM Plus Program such as MoFPED, NEMA, NPA, MWE, MoGLSD, NPA, MoWT among others. The PIM Plus Program implementing entities responsible for ensuring that all the Program interventions are screened for environment and social risks and impacts, preparation of the relevant E&S risks/impacts mitigation measures documents and seek approval before Program implementation.

1.5.5 Stakeholder Consultation Process:

For the preparation of this ESSA, World Bank Environmental and Social consultants engaged in meaningful stakeholder consultations. These consultations included meetings with central government ministries, departments, and agencies such as MoFPED, MoLHUD, MoGLSD, NEMA, MoWT, MWE, NPA, and the Office of the Auditor General (OAG). The team also consulted with development partners, associations, practitioners Uganda Association of Impact Assessors (UAIA), academia (Makerere University Department of Environment), and institutions involved in PforR Programs like UGIFT.

This summary report, therefore, focuses on the key field findings following the stakeholder consultations with the target MDAs and other stakeholders that were sampled for this Program. The findings from the ESSA informed the overall Program Action Plan, hence contributing to environmental and social sustainability while achieving the Program's desired results. The ESSA team directly communicated with the technical officers to ensure clear understanding and provide any necessary clarifications in the required instruments. Upon receipt of completed questionnaires, the team analysed the information provided and followed up with the Officers as was considered appropriate.

In addition, in January 2024, to address the risk of potential exclusion and discrimination, additional consultations were undertaken on the World Bank project portfolio to specifically discuss the vulnerability of some individuals or groups which may arise out of the World Bank funded project in Uganda. Key issues raised relating to this project are included in the risks and impacts section, going forward.

1.5.6 Data Analysis and Report Writing

The ESSA analysis followed the Strengths, Weaknesses, Opportunities and Threats (SWOT) approach. This was undertaken based on the details of Program activities, institutions involved and the implementing agency's experience in implementing similar projects, the potential environmental and social benefits, risks/impacts of the Program, the national and local existing environmental and social management systems, assessment of the adequacy of the existing systems, and identification of gaps.

1.5.7 Validation and Disclosure

The draft ESSA stakeholders' validation workshop was held during the week of Program appraisal. Participants included representatives from Government Ministries, Departments and Agencies (MDAs) as well as members of several Civil Society Organizations (CSOs). See list in Appendix 10. The final ESSA incorporating comments from stakeholders' validation workshop consultations (See Appendix 11 for highlight of key issues). This ESSA is also disclosed on the Bank's website.

The total Government Program cost over the next five years is US\$955 million. The total cost for the PforR is US\$595 million, out of which International Development Association (IDA) financing is US\$160 million.

2.0 PROGRAM DISCRIPTION

2.1 Government's Program

The PforR Program supports the Government's PFMRS (2025-2030) and the associated REAP II, which serves to implement the PFMRS, with the total Government Program cost over the next five years is US\$955 million. The total cost for the PforR is US\$595 million, out of which International Development Association (IDA) financing is US\$160 million. The PFMRS aims to increase resource mobilization, improve planning and public investment management, and strengthen accountability for quality, effective and efficient service delivery. The Government's Program also includes the adaptation component of the Updated NDCs (2022) which seeks to mainstream and institutionalize climate change responses in policies, plans, Programmes and budgets at all levels of governance, climate resilient water, transport, and energy sectors. The PforR support is to strengthen the GoU's performance and accountability in public investment and asset management, including mainstreaming attention to climate risks and resilience.

2.2 PforR Program Scope

2.2.1 Program Development Objective(s) (PDO)

The PFO is to strengthen the GoU's efficiency, accountability, and sustainability of public investment and asset management.

2.2.2 Program boundaries, activities and results

The Program will be implemented over the 2025-2030 period, with national geographic coverage (national government), and a total of US\$160 million PforR financing. The proposed Program includes four Results Areas (RAs).

a) Results Area 1: Improve resource mobilization, planning and budgeting, including sustainability and climate resilience. The planning and implementation of the Public Investment Plan (PIP) face significant challenges, including costs that exceeding available fiscal resources, inadequate costing and ring-fencing of multi-year commitments (MYC) in the Medium-Term Expenditure Framework (MTEF), and the lack of consideration for climate impacts. The planned activities to address these challenges include: developing a policy framework for multi-year budgeting and commitment monitoring, revising the Domestic Revenue Mobilization Strategy for 2025-2039, supporting eTax and systems integration, and providing guidance for mainstreaming climate resilience measures. These activities are expected to ensure that (i) financial commitments of approved PIM projects are budgeted for in the annual budget and MTEF ceilings; (ii) realistic strategies and tools are in place for increasing domestic revenue mobilization; and (iii) Programme plans and physical plans reflect environmental sustainability, climate adaptation and mitigation priorities. The goal is to strengthen planning and realism in setting resource envelopes and increase fiscal space available for public investments through improved tax administration.

b) Results Area 2: Project Readiness Strengthened, Including Resilience and Sustainability

Project design and readiness at the point of inclusion in the PIP are often inadequate, with insufficient consideration for environmental, social and climate resilience measures, risks, and mitigation strategies. The Program seeks to improve project readiness, by undertaking the following: updating and applying DC project appraisal and selection criteria, enhancing feasibility studies with climate integration, reviewing and updating Environmental and Social Impact Assessment (ESIA) guidelines, updating the national environmental (conduct and certification of environmental practitioners) regulations, 2003 regulations, and developing an Environmental Audit Certification Mechanism. The Program will include strengthening NEMA's institutional capacity for baseline verification, review of assessments and audits, and compliance

monitoring. These efforts will lead to better-prepared projects ready for inclusion in the PIP, strengthened ESIA guidelines, the incorporation of resilience and mitigation measures in projects, and improved monitoring of projects for environmental and social compliance.

c) Results Area 3: Project Execution and Oversight Strengthened, and Efficiency Improved

The execution and oversight of projects are hindered by vulnerabilities in procurement processes, frequent design reviews, weak contract management, and the lack of consideration for climate and environmental impacts during execution. To address these issues, the following activities will be implemented: reviewing procurement business processes, developing standard unit costs, rolling out electronic Government Procurement (e-GP) systems, conducting reviews on the financial and physical progress of projects, issuing climate change reporting guidelines, and establishing a monitoring framework – including environment and social sustainability indicators. These activities are expected to improve adherence to procurement timelines and contract management, strengthen project oversight and transparency, and ensure that climate resilience and environmental compliance measures are reported.

d) Results Area 4: Asset Management and Maintenance Strengthened

Asset management and maintenance are challenged by chronic under-budgeting, fragmented monitoring systems, limited accountability for project performance, and the lack of monitoring for climate and environmental risks. To strengthen asset management and maintenance, the following activities will be undertaken: developing asset management and accounting guidelines, updating the asset management strategy, developing operations and maintenance (O&M) guidelines, expanding the framework for establishing and funding maintenance requirements, and developing coordinated maintenance plans for infrastructure. The guidelines, strategies and plans will incorporate environmental and social sustainability, and climate risks/resilience aspects in the valuation, monitoring, and maintenance of assets. These activities will result in the adoption of operations and maintenance standards, a functional asset management system, and increased and protected budget allocations for maintenance.

2.2.3 Disbursement Linked Indicators and Verification Protocols

DLIs are crucial milestones in achieving the Program's outcomes. Table 1 presents the Programs DLIs alongside their purpose and the responsible entities. This ESSA presents in section 7.2 the intermediate indicators that are proposed for integration into the Program design to strengthen the management of environmental and social risks under the Program and strengthen overall integration of environmental, social and climate resilience in the investment cycle.

Table 1: Program DLIs as per draft PAD June 2025

Purpose of DLI	DLI	Financing allocated (US\$, Millions)
Results Area 1: Improve resource mobilization, planning and budgeting, including sustainability and climate resilience		
Planning and budgeting realism is improved	DLI 1: Financial commitments of approved PIM projects are budgeted for in the annual budget and MTEF ceilings	16.5
Domestic Revenue Mobilization is improved	DLI 2: Realistic strategies and tools in place for increasing domestic revenue mobilization	16.5
Climate and sustainability strengthened in planning and budgeting	DLI 3: Programme ^[1] and physical plans reflect environmental sustainability, climate adaptation and mitigation priorities	12.5
Results Area 2: Project readiness strengthened, including resilience and sustainability		
Project preparation and appraisal is strengthened	DLI 4: Percentage of new projects that have met DC appraisal and selection criteria before inclusion in the PIP	14.5
Project preparation is more environment, social risk and citizen responsive	DLI 5: Environment and social requirements in project preparation improved, including evidence of citizen engagement and gender and equity considerations	10
RA 3: Project execution strengthened, and efficiency improved		
Procurement timeliness improved	DLI 6: Percentage of medium and high-value contracts in selected Programmes that are procured on a timely basis	15
Project timeliness accelerated and oversight and transparency strengthened	DLI 7: Percentage of projects that meet expected milestones and for which progress is reported on	25
Climate resilience and E&S measures in implementation	DLI 8: Percentage of projects for which approved climate resilience and E&S measures are monitored and reported on during implementation	15
RA 4: Asset management and maintenance strengthened		
Post-completion asset management strengthened	DLI 9: Asset Registration, Valuation and Monitoring in place covering at least three infrastructure sectors	15
Public infrastructure sustainability improved	DLI 10: Increase in infrastructure maintenance efforts to enhance sustainability	20

2.3 Program Beneficiaries

The direct beneficiaries of the Program are Central Government MDAs (153), and especially sectors with significant capital expenditures, while indirect beneficiaries include households and private sector

[1] The term 'Programme' refers to sectors in Uganda's Programme-Based Budgeting system.

enterprises as taxpayers and as infrastructure users. Central Government MDAs will benefit from more accurate planning and budgeting for PIM projects and more efficient systems for procurement, contract management, asset maintenance and monitoring, enabling more sustainable projects to be delivered on time and within budget. Indirect beneficiaries include the Ugandan private sector and citizens. Private sector entities contracted by MDAs to deliver PIM projects will benefit, as stronger government systems for project budgeting and execution are expected to reduce payment delays to service providers which otherwise hinder their cashflow, raise financing costs, limit economic activity and create tax arrears. More broadly, Ugandan households and private sector enterprises will benefit from accessing better maintained and more climate resilient infrastructure, with fewer climate-induced interruptions to the transport network. As taxpayers, they will benefit from more efficient use of the revenue raised.

2.4 Institutional and implementation arrangements

The implementation of the Program will be integrated as much as possible into the existing Government with MoFPED taking the lead. The Program will be executed through MoFPED's established structures for implementing the PFMRS. The second phase REAP has been approved as the main vehicle for implementing new PFM reforms, aligning with the strategic goal of tenfold economic growth with a focus on green and inclusive development while addressing climate change. Climate-responsive reforms have been incorporated into various areas, including PIM, policy-based fiscal strategy and budgeting, tax administration, asset and liability management, and fiscal decentralization. The Reform Coordination Unit (RCU), which has a proven track record in results-based lending, technical assistance, and capacity development, will oversee implementation, supported by government funding and well-established oversight structures.

Core institutions, including NPA, MoFPED, URA, MoWE, MoGLSD, MoWT, NEMA, UIA, and PPDA, will be responsible for achieving DLIs and implementing relevant components. They will track progress, gather evidence on DLIs, and report to the RCU under REAP/MoFPED. Fiduciary and procurement support will be managed by the RCU, with institutions ensuring the sustainability of technical assistance inputs received.

The Program Steering Committee (PSC), chaired by the Permanent Secretary/Secretary to the Treasury (PS/ST) of MoFPED, will provide strategic guidance, oversee implementation, and approve annual work plans. The PSC will meet biannually and collaborate with the Public Expenditure Management Committee (PEMCOM) to ensure policy alignment. The Program Technical Committee (PTC), comprising Program coordinators and directors from key agencies, will handle technical issues and escalate policy concerns to the PSC.

In addition, the World Bank in close collaboration with GoU through the project beneficiaries (MDAs) will provide support for enhanced monitoring of the risk of exclusion or discrimination for individuals or groups who may be vulnerable or marginalized. Further details of this support are found in Appendices 1 and 2.

2.1 ENVIRONMENTAL AND SOCIAL RISK ANALYSIS AND IMPACTS OF THE PROPOSED PROGRAM

This section presents the anticipated environmental and social impacts, benefits, risks, and opportunities of the Program, including downstream effects resulting from implementation of interventions prepared with its support. The risks have been identified by examining the present environmental and social context, the Program strategy and sustainability, the institutional arrangements and capacity. The risks associated with the Program can be mitigated through proposed measures, which include targeted capacity building of implementing entities to enhance inclusion, participation, and strengthening mechanisms on accountability and grievance redress mechanisms. These measures are included in the Program's integrated risk management.

3.1 The Exclusion Principle

The exclusion principle applies to Program activities that meet these criteria, regardless of the borrower's capacity to manage such effects. In the PforR context exclusion means that an activity is not included in the Program expenditures. Also, an activity is not included if it requires the completion of a non-eligible activity to achieve its contribution to the PDO or any specific DLIs. The six principles under the PforR will apply to all investments as a mechanism for mitigating adverse environmental and social impacts and for any other activities considered to be high risk identified per the E&S screening process. Activities excluded under the Program are in Appendix 6.

3.2 Potential Program Benefits

Central Government MDAs will benefit from improved planning, budgeting, and more efficient systems for procurement, contract management, asset maintenance, and monitoring enabling timely, cost-effective, and sustainable project delivery. Indirect beneficiaries include the Ugandan private sector and citizens. Contractors will benefit from reduced payment delays due to stronger government systems, improving cash flow and reducing financing costs. Households and businesses will gain from better maintained, climate-resilient infrastructure with fewer disruptions. Taxpayers will also benefit from more efficient public spending. Enhanced gender and equity considerations will support women and disadvantaged groups. In addition, efficiency in the systems will enhance budget predictability for the environment and social sector and ensure the integration of environmental and social sustainability and climate resilience into long-term commitments. Furthermore, strategies for reducing climate risks will provide benefits such as improved climate regulation, recreation, tourism, health, and enhanced food and water security.

Key activities also involve redesigning e-GP modules and integrating financial and procurement systems for better project monitoring. The Program will also develop standards for maintenance, establish an asset management system, and create a framework for tracking and mitigating climate-related asset risks. These measures will ensure early integration of sustainability, enhance project outcomes, and strengthen environmental safeguards including Occupational Health and Safety.

3.3 Anticipated Environmental Risks and Impacts

The Program will mainly involve activities for institutional strengthening – for improving resource and sector planning and budgeting and climate responsiveness; strengthening project readiness including climate resilience and sustainability; strengthening project execution and oversight and efficiency – including systems for integrating environment and social sustainability into public investment. It will also enable improved integration of environmental and social sustainability into public investment and incentivize strengthening of the capacity of NEMA to perform its mandated functions. These activities by themselves are not expected to pose any risks and impacts to the environment.

While the Program will not provide direct support to civil works, it will incentivize and indirectly support maintenance of roads and bridges, district and community access roads as well as other key transport assets (water and rail) by linking disbursement to the development of a framework for monitoring and establishing maintenance requirements and costs, as well as linking disbursement to increase in road maintenance funding. These activities present moderate risks and impacts on the biophysical environment and moderate to substantial occupational health and safety risks, due to the operation of construction equipment and vehicles, if not well managed, and institutional capacity weakness discussed in sections 5 and 6.

The risks and impacts from activities which may be supported by the Program, as well as downstream risks and impacts, are discussed below.

a) Biodiversity, natural habitats and cultural heritage degradation

Uganda, among the top ten most biodiverse countries globally, hosts 18,783 species, including 53.9% of the world's mountain gorillas and 11% of bird species. Its diverse ecosystems range from the Rwenzori Mountains to wetlands, with seven of Africa's 18 plant kingdoms¹. While projects which present high risks to critical habitats or areas with high biodiversity value are excluded, indirect, downstream and/or cumulative impacts on biodiversity, and cultural heritage could arise through further modification of habitats, land-use changes, and intensification of development. Public investment activities require the extraction of or use of natural resources such as water, gravel, soil, and forests, while also driving pollution from nitrates, pesticides, heat emissions, or even disposal of spoil materials. Investment activities may contribute to the spread of invasive alien species, compounding the environmental challenges posed by infrastructure and agricultural expansion. Peri-urban forests and wetlands have faced significant threats, with many already converted for other uses and others under heavy encroachment. Additionally, public projects may affect unrecognized physical cultural resources.

Mitigation measures

- Explore alternatives that minimize direct and cumulative impacts on natural habitats and cultural heritage while ensuring responsible resource management.

b) Generation of waste and associated effects

During the execution and maintenance of projects, various types and quantities of waste will be generated, including rock and soil overburden from site preparation, which can pose a significant disposal challenge if not properly managed. Waste will also include construction debris and packaging materials from supplies brought for construction purposes. Hazardous waste, such as chemicals, petroleum products, and bitumen, may also be generated. If not properly handled, these wastes can create sanitation hazards, degrade soil and water quality, and become an eyesore. Additionally, there are no authorized sites for the disposal of construction and demolition waste, further complicating waste management. However, NEMA has registered waste handling firms, dealing among others with hazardous waste.

Mitigation measures

- Project designs, execution and maintenance will need to incorporate the waste management hierarchy which requires first prevention, reduction, reuse, recycling and finally responsible disposal of waste.

¹ Uganda Country Profile: Biodiversity Facts - Status and trends of biodiversity, including benefits from biodiversity and ecosystem services, retrieved on 10 February 2025 from <https://www.cbd.int/countries/profile?country=ug#:~:text=Within%20the%20country%2C%20farmland%20is,ten%20most%20biodiverse%20countries%20globally.>

- The Program should include development of mechanisms (e.g. clarifying good practices, listing waste management strategies, proving templates for waste management plans) for appropriate assessment and incorporation of waste management strategies in projects preparation and implementation.

c) Increase in runoff/ storm water with associated impacts on drainage and water quality

Construction of infrastructure such as roads, recreational facilities, parks and buildings results in an increase in impermeable surfaces which in turn increases the rate of surface water runoff. The increased runoff could overwhelm local drainage systems including streams with potential for flooding, damage to property and crops. In addition, storm water generated may be contaminated with oil and grease, heavy metals (e.g., lead, zinc, copper, cadmium, chromium, and nickel), silt, carry organic matter and other pollutants, and deposit them into surface water sources, thereby a significant reduction in the human and ecological value of the water course. In addition, the carrying capacity of drainage systems could exceed leading to flooding and damage to property and in some cases of loss of life. The design and execution of investments will include drainage effects.

Mitigation measures

- Maintenance will involve assessments to determine where the potential cumulative impact of developments may have on existing and new drainage as well as effect on flood risk across the investments' areas of influence.

d) Reduction in air quality

Whereas public investments lead to improved air quality through, among others, reduction of vehicular emissions due to better traffic flow on improved roads and junctions and investment in public transport, their execution could have detrimental effects on the same in several ways including: gaseous emissions by moving vehicles and machinery (e.g. carbon monoxide, Sulphur oxides, Nitrogen Oxides, and from bitumen fumes). Construction activities also result in dust emissions which temporarily hamper visibility, cause damage to crops, stain roadside sold goods, houses and household property along or around sites. Health effects of various air pollutants include headache, skin rash, sensitization, fatigue, reduced appetite, throat and eye irritation, cough, and in some cases, skin cancer. Mitigating air quality effects is key as a study by Atuyambe *et al.*, 2024 showed that; from 2018 to 2021, Kampala's annual average PM_{2.5} concentration was 39 µg/m³, with lower levels during rainy seasons, while long-term exposure above WHO guidelines contributed to 7,257 deaths².

Mitigation measures

- Incorporate into bidding documents, environmental considerations such as air and noise emissions criteria for vehicles and equipment for construction under the Program's related transport infrastructure maintenance activities,
- Regular dust-suppression techniques determined during specific projects' assessments,
- Regular vehicle and equipment maintenance, be enforced.

e) Noise pollution

Noise is an unwanted sound, and environmental noise includes all such disturbances outside the workplace or one's immediate environment. As a form of air pollution, environmental noise threatens health and well-being, growing in severity due to population increase, urbanization, and expanding transportation networks.

² Atuyambe, L.M., Etajak, S., Walyawula, F. et al. Air quality and attributable mortality among city dwellers in Kampala, Uganda: results from 4 years of continuous PM_{2.5} concentration monitoring using BAM 1022 reference instrument. J Expo Sci Environ Epidemiol (2024). <https://doi.org/10.1038/s41370-024-00684-9>

The execution and operation of projects has the potential to introduce new sources of noise or elevate levels in its environment. Major sources include road construction and traffic on the constructed roads, construction of energy infrastructure, schools, markets, exposing workers to high noise levels from machinery, but also neighboring communities.

The health effects of noise pollution are significant and persistent, leading to hearing loss, sleep disruption, cardiovascular disease, reduced productivity, social issues, and increased accident risks. It also diminishes quality of life, contributing to stress and economic losses by degrading residential, social, and learning environments.

Mitigation measures

- Observe the NEMA Noise Standards and Control Regulations and avoiding working at night in residential areas;
- Using noise-reducing equipment such as silencers, among other interventions.
- Use of well-maintained equipment.

f) Community and Occupational Health and Safety

The execution and operation and maintenance of public investments arising from the Program could result in severe health and safety effects if not well managed, as performance in this aspect has generally been poor across projects implemented in the country. Numerous individuals (workers and communities) could be harmed in the execution of projects arising from the Program due to among others: (i) unsafe working conditions leading to various health and safety risks, including workplace injuries, which are often caused by failure to follow safety procedures, (ii) fire hazards result from poor electrical installations, lack of fire extinguishing equipment, and inadequate fire safety training.; (iii) infectious diseases spread due to insufficient prevention measures; (iv) hearing loss due to prolonged exposure to high noise levels without proper ear protection increases; (v) musculoskeletal disorders resulting from vibrations from machinery; (vi) health threats from chemical exposure; (vii) injuries and fatalities from unresolved unsafe conditions including improper lifting techniques, vehicles and machines/equipment operation; and absence of emergency preparedness. Severe safety incidents – including fatalities - have been registered in recent public investment including PforRs, and stakeholders partly attribute reoccurrence to failure of responsible government entities including Department of Occupational Health and Safety (DOSH) at MoGLSD to investigate and cause implementation of corrective actions.

Mitigation measures

- Project designs and execution to apply hierarchy of controls.
- Program to support development of guidelines for coordinated response to severe safety incidence by the Police, DOSH and LGs as well as the project implementing MDA, to ensure incidents are investigated and corrective actions are implemented.
- Training on OSH for MDAs, contractors, supervision consultants.

3.4 Potential Social Benefits

The Program includes critical activities such as updating valuation guidelines to incorporate methodologies for valuing natural resources, revising District Local Government (DLG) asset valuation rates, and training key implementers on the application of these updated guidelines. These interventions will contribute to strengthening land administration and data systems within the MoLHUD and other key implementing agencies such as MWE.

The rollout and enhancement of the Land Valuation Information System will reinforce the functionality of MoLHUD's Land Management Information System (LMIS). This will improve land tenure security,

streamline compensation processes, and ensure greater transparency in land acquisition for public infrastructure projects. By enabling more accurate and standardized land and asset valuations, the system will help ensure fair and timely compensation for Project Affected Persons (PAPs).

This will mitigate the risks of undervaluation, reduce compensation-related disputes, and prevent budget overruns due to unforeseen resettlement costs. Additionally, the shift to a transparent, online valuation system will help curb unethical practices such as collusion and land speculation, fostering greater public trust and more equitable outcomes in land-related transactions.

Capacity-building efforts, including the training of the Chief Government Valuer (CGV) staff and other personnel from implementing agencies on methodologies and approaches on natural resource / capital valuation, will ensure consistent application of updated guidelines and valuation methodologies. This will enhance institutional capacity, improve coordination across sectors, and support more efficient, accountable, and socially responsive infrastructure planning and implementation. Additionally, the capacity building of E&S teams from the participating entities on environmental and social safeguards will help boost the institutional capacity in relation to management of social risks during project implementation.

The Program will enhance the quality of infrastructure services and asset management through strengthened operation and maintenance activities of infrastructure, which will lead to better road conditions, reducing travel time and vehicle operating costs, and improving connectivity to critical services such as healthcare and education.

With well-maintained roads and other infrastructure, the Program will improve accessibility for vulnerable and marginalized groups and beneficiary communities, enabling equitable access to essential public services and economic opportunities such as trading.

Similarly, reliable road networks support local economies by facilitating trade, movement of goods, and labour mobility, thereby stimulating job creation and income generation.

Improvement of social risk management

This ESSA has analyzed the social context in which the Program will operate, including the cultural, economic, and political environment. It has assessed the institutional capacity and gaps of the Program implementers and other stakeholders, as well as how they manage social risks through consultative meetings with key personnel from different MDAs. Additionally, it has identified areas for continuous improvement such as grievance management, stakeholder engagement, and inter-agency coordination to ensure that social risks are managed effectively and that the Program is implemented in a socially sustainable manner.

This ESSA has conducted a thorough analysis of the social context in which the Program will operate, considering the cultural, economic, and political environment. It has evaluated the institutional capacity and identified gaps of the Program implementers and other stakeholders, as well as their ability to manage social risks. The assessment has highlighted areas for continuous improvement, such as grievance management, stakeholder engagement, and inter-agency coordination, to ensure effective social risk management and the socially sustainable implementation of the Program.

3.5 Potential Social Risks and Impacts (Negative Impacts)

3.5.1 Inadequate stakeholder engagements

Limited stakeholder engagement can significantly impact public investment management, leading to ineffective allocation of resources and unintended consequences. This often occurs when institutions design Programs without adequate assessments and input from all relevant stakeholders. As a result, Programs designed fail to accurately address community needs, leading to inefficient resource allocation. Moreover, omitting stakeholders from the engagement process can result in a lack of ownership and accountability, as stakeholders may not feel invested in the project's success and the respective asset. Sometimes stakeholders are intentionally or unintentionally excluded and discriminated by virtue of their age, race, ethnicity, status, background, age, political and religious affiliations, sex and gender, etc. Furthermore, limited stakeholder engagement can overlook critical social and environmental concerns, such as vulnerability or marginalization of individual and groups, potentially leading to unintended consequences, project delays and cost overruns, reduced transparency and trust, potentially leading to social unrest, conflict, exclusion and discrimination.

Mitigation measures

- Inclusive stakeholder engagement at all stages including the selection and appraisal stage is essential to ensure that public investments effectively address community needs, promote ownership and accountability, and minimize the risk of unintended consequences. The inclusion will ensure that all potentially affected vulnerable or marginalized individuals or groups in the projects are taken into consideration at all stages and processes including in the management of grievances. And support towards ensuring all MDAs and DLGs have SEP and GRM in place, trained on its implementation and allocating resources for its operationalization

3.5.2 Exclusion of vulnerable or marginalized individuals or groups and unequal access to benefits and opportunities in Public Investment Management

The exclusion of vulnerable or marginalized individuals or groups from decision-making processes and unequal access to benefits and opportunities can have far-reaching consequences for public investment management. Often, resource allocation occurs without adequate and inclusive consultation with beneficiaries during the project selection and appraisal stages. This can result in inefficient resource allocation, rendering public investments ineffective in addressing the needs of vulnerable or marginalized communities/beneficiaries as well all stakeholders.

This perpetuation of inequality exacerbates existing social and economic disparities, undermining the effectiveness of public investments. Furthermore, by excluding vulnerable or marginalized individuals or groups from economic opportunities, public investments fail to realize their full potential for economic growth and development. Ultimately, this hinders public investments from achieving their intended objectives.

Further consultation between March 2023 to January 2024 regarding potential risk of exclusion and discrimination of vulnerable or marginalized individuals or groups identified the following relevant risks and concerns that could be associated with this project:

- i. Limited capacity of project teams in assessing and addressing vulnerable or marginalized individuals or groups -related risks
- ii. Vulnerable or marginalized individuals or groups may decline to take part in consultations for fear of stigmatization and rejection.
- iii. The possibility of exclusion from employment opportunities and benefits from the project

- iv. Project teams may not be equipped to adequately address complaints related to exclusion and discrimination, particularly as complaints may be challenging to address without causing harm to the parties involved.
- v. Risk of exclusion of vulnerable or marginalized individuals or groups in the selection of beneficiaries of the services and opportunities
- vi. The need to provide safe spaces and other psychological support for vulnerable or marginalized individuals or groups.

Mitigation measures

- Ensuring compliance with ESS10 Borrower requirements of undertaking a process of meaningful and inclusive consultation in a manner that provides stakeholders with opportunities to express their views on project risks, impacts, and mitigation measures, and allows the Borrower to consider and respond to them adequately throughout the project life. This will be based on the nature of issues, impacts, and opportunities evolved
- Ensuring that stakeholder consultation is free of external manipulation, interference, coercion, discrimination, and intimidation and adhering to the guiding commitments/instruments/instructions provided by both the GoU and World Bank under Appendices 1, 2 & 3.
- Adherence to application of the proposed World Bank Enhanced Implementation and Monitoring mechanism including the utilisation of a hired technical entity to support EISM on behalf of the World Bank. This will include training of all the key relevant implementing agencies staff and sensitization of all relevant stakeholders on inclusion and non-discrimination of the marginalized or vulnerable individuals or groups – Refer to Appendix 2.

3.5.3 Risk of political interference

Political interference can profoundly impact public investment management, often resulting in misaligned priorities. Influence peddling can lead to the prioritization of projects that serve political interests rather than public needs. Furthermore, politicians may allocate resources to projects that benefit their constituents or supporters, rather than those that offer the greatest public benefit. This can lead to inefficient allocation of resources, undermining the effectiveness of public investment management.

Mitigation measures

- To mitigate these risks, it is essential to establish robust institutional frameworks, ensure transparency and accountability, and promote a culture of integrity and professionalism in public investment management.

3.5.4 Risk of human rights violation

Public investment management can pose significant human rights risks, particularly when large-scale projects intersect with local communities, livelihoods, land, and natural resources. Many projects, such as dams, roads, and urban development initiatives, often require physical and involuntary displacement of affected populations, disproportionately impacting vulnerable groups such as poor communities, refugees, the sick and infirm, widows and elderly. In some cases, these displacements occur without adequate compensation or resettlement plans, exacerbating the vulnerability of affected communities and potentially violating their human rights.

Mitigation measures.

- To mitigate these risks, it is essential to integrate human rights considerations into public investment management, ensuring that investments are designed and implemented in a way that respects, protects, and promotes human rights.

3.5.5 Corruption and Lack of accountability

Corruption and lack of accountability can significantly undermine public investment, particularly during the critical selection and appraisal stage. In some instances, project selection and appraisal are conducted without reliance on credible data and involvement of key stakeholders, resulting in exaggerated benefits and underestimated risks. Furthermore, corrupt practices, such as influence peddling and bribery, can compromise the integrity of project selection. This can lead to prioritization of projects that serve the personal interests of corrupt officials rather than aligning with public interests. Such unethical practices can have far-reaching consequences, including inefficient allocation of resources and diminished public trust.

Mitigation measures

- To mitigate this, public investment management should institute robust anti-corruption measures, such as:
 - ✓ Transparent project selection and appraisal processes
 - ✓ Have an independent oversight and monitoring mechanism to reduce the risk of corruption and accountability
 - ✓ Strengthened Institutional frameworks and capacity building

3.5.6 Risk of violating national Labour laws and working conditions.

Disregarding labour laws and poor working conditions can have far-reaching consequences for public investment management. In Uganda, non-compliance with labour laws and subpar working conditions can spark labour disputes, strikes, and unrest, resulting in project delays and disruptions, particularly in infrastructure development. Furthermore, public investment projects tainted by labour rights violations can damage the reputation of governments, contractors, and investors, eroding public trust and confidence.

Mitigation measures

- To mitigate these risks, it is essential to integrate labour risk assessments into project selection and appraisal processes. These assessments should be tailored to specific projects and prescribe labour standards that align with Ugandan national laws and international best practices.
- To apply the EISM GRC for workers as an alternative avenue of reporting labour complaints should be integrated in the assessments and management planning for workers, guided by Appendix 2 and 3.

3.5.7 Limited /absence of Grievance Redress Mechanism (GRM) within institutions

A GRM outlines the procedures for managing any grievances raised by project stakeholders (including the implementing entities, consultants and contractors, and others) in relation to project selection, appraisal and activities. The absence of a grievance redress mechanism can significantly impact public investment management by propagating impunity and unaddressed complaints. Without a grievance redress mechanism, complaints and concerns from affected communities, stakeholders, project workers or whistleblowers in a procurement process, land acquisition may go unaddressed, leading to a lack of accountability. Moreover, corrupt officials or contractors may feel encouraged to engage in malpractices, knowing that there is no effective mechanism to hold them accountable.

Mitigation measures

- Establish a clear and accessible process for submitting and addressing grievances.
- Strengthen the existing institutional-level grievance mechanisms to receive and facilitate resolution of complaints and provide for anonymous and confidential reporting and handling of grievances.
- Enforcing the MoGLSD GRM guideline across DLGs and mainstream Ministries
- Address concerns promptly and effectively in a transparent manner that is culturally appropriate and readily accessible to all stakeholders (including VMGs and other disadvantaged minority

groups), at no cost and without retribution as they may decline to take part in consultations or access the GRM for fear of reprisal or being reported,

- Ensure that the grievance redress mechanism (GRM) facilitates the resolution of Program-related disputes that may arise at any stage of the Program, at the lowest level, and where feasible and suitable for the Program, the grievance mechanism will utilize existing formal and informal grievance mechanisms, supplemented as needed by Program-specific arrangements.
- Inform the stakeholders about the grievance process, as well as the appeal process including the national judiciary, to which unsatisfied grievances may be referred when the resolution of the grievance has not been achieved. To incorporate EISM mechanism in the process of managing grievances across the project spectrum to address and track the risks and impacts related to exclusion from and discrimination against vulnerable or marginalized individuals or groups.
- Train and raise awareness of EISM GRC at all project implementation levels and for all project actors/stakeholders.

3.5.8 Displacement of communities

As part of the requirement to meet DLI 4 by participating MDAs with challenges around access to Right of Way (ROW) and land acquisition during project preparation, participating institutions may require compulsory land acquisition (expropriation of property) and demolishing of structures such as buildings, perimeter walls, shops associated which can result in displacement of communities, properties and incomes, social stress, social and psychological disruption for the affected individuals and households to have in place costed RAP. This makes it a big social risk since it entails social disarticulation and, in most cases, delayed compensation which are met with resentment from project affected communities and can potentially lead to project implementation delays and cost overruns. This is further exacerbated by delays in payment of compensation proceeds. In a bid to expedite project implementation before payment of compensation, implementing entities normally use underhand methods to have people relocate which leaves them destitute and unable to sustain themselves. The illegality of displacement prior to compensation also leaves projects susceptible to litigation which lead to project delays, cost overruns and political fallout. This challenge is further compounded by the unwillingness of project financiers to finance land acquisition.

Mitigation Measures:

- Negotiating with property owners to give consent to the contractors to allow works in case property is affected during maintenance of infrastructure such as roads.
- Commit the contractor to restore/rebuild any affected property during Program maintenance
- Continuous and meaningful engagement of communities in the planning and implementation process of some of the selected sites. Provide fair and adequate compensation for PAPs whose properties might be disproportionately affected by the Program activities.
- Implementing entities should institute robust and functional grievance redress mechanism with clear referral pathways so that complaints and dissatisfactions about the resettlement/compensation process do not unduly delay the progress of projects.
- All communities in project affected areas should continuously be sensitized on the valuation and compensation procedures to avoid being taken advantage of by speculators and unscrupulous individuals who normally impersonate project proponents and project consultants. Project proponents or their agents should liaise with local authorities to assist the vulnerable to ease access and utilization of their compensation. Where bank accounts are difficult to open and operate by vulnerable persons, an appropriate intervention shall be designed.

3.5.9 Disruption of livelihoods

Some of the activities As a result of road/transport infrastructure maintenance, disruption of businesses and economic activities (restaurants, shops, roadside vending) can be unintentionally occasioned on the beneficiary communities. This can have an impact on the employment opportunities and income for individual whose livelihood is dependent on the road. Additionally, road maintenance can increase transportation, costs and challenges which can also impact the livelihood of individuals and businesses.

Mitigation Measures:

- Giving prior notice to affected communities to allow PAPs to plan
- Engaging local communities and engaging them in planning and implantation of activities.
- Provision of alternative working spaces to business owners to minimise the impact of disruption.

3.5.10 Risk of Gender-Based Violence

Gender-Based Violence (GBV) is an umbrella term for any harmful act that is perpetrated against a person's will and that is based on socially ascribed (i.e. gender) differences between males and females and includes acts that inflict physical, economic, sexual or mental harm or suffering, threats of such acts, coercion, and other deprivations of liberty. GBV prevalence rates in Uganda are by comparison, and overall, 62.2 % of all women and 58.8% of all men aged 15-49 in Uganda reported experience of physical or sexual violence (by any perpetrator) at least once since the age of 15.

Creation of employment opportunities among the local population during execution and operation and implementation of projects may generate a wave of excitement leading to multiple gender induced discrimination and gender-based violence putting women in more vulnerable situations. Men could abandon homes on receipt of compensation packages preferring to settle with new partners in urban areas. Even women who may gain employment by the project, gender stereotyping may affect their self-esteem and performance and may prefer to stay out of employment not because they lack skills but due to gender harassment. Similarly, while employment opportunities on public investment project may improve women's income and relative economic position, it could also potentially lead to increased intimate partner violence (IPV) as a form of backlash against loss of male control over women's time, Labour, and disruption of traditional gender roles (Institute of Development Studies 2020, Macmillan and Gartner 1999). Men may also view women's economic empowerment as undermining their power and status this is evinced by the reported 22% physical, 28% sexual, 35.6% emotional and 34.6% physical and sexual violence cases in Uganda.

Mitigation measures:

- Mapping of GBV services and developing referral pathways that are Program specific,
- Prepare GBV Action Plan in consultation with MoGLSD to support its implementation during the Program lifetime
- Management of Gender impacts of projects: including Gender Based Violence resulting from projects (including sexual abuse of communities by workers, and sexual harassment in the workplace), inequity in compensation, labour and property rights due to laws and gender norms.
- Actively involve relevant authorities such as the Uganda police Child and Family Protection Unit in handling complaints on gender-based violence.

3.5.11 Risk of Child labour and exploitation

The Children Act (Amendment) Act 2016 of Uganda prohibits employers including development projects from "employing children under the age of 18 in a manner that is economically exploitative, hazardous, and detrimental to the child's education, harmful to the child's health or physical, mental, spiritual, moral, or social development. It is also important to be vigilant towards potential sexual exploitation of children, especially young girls. 38% of children aged 6 to 17 in Uganda live in poverty and 18% live in extreme

poverty. This compels them to engage in labour to produce or buy food and have sufficient meals. It is this state of desperation that normally renders them susceptible to exploitation given the need to fend for themselves and support their families in most cases. Similarly infrastructural projects need to be vigilant towards potential sexual exploitation of children, especially young girls and as such project proponents should establish child protection measures within a code of conduct signed by all contractors and their employees, committing themselves towards protecting children, that clearly defines what is and is not acceptable behaviour.

Mitigation measures

- Specify lists of hazardous work which children are not allowed to participate in.
- Ensure that Labour Officers at MoGLSD and DLGs inspect workplaces to ascertain compliance with child labour laws
- Where need arise, a nominated service provider to support child protection activities including designing IEC, sensitizations, monitoring and collaboration with key duty bearers.

3.5.12 Risk of Violation of children rights by contractor and labour force on site

According to the World Health Organization (2020), Violence against Children (VAC) is defined as physical, sexual, emotional and/or psychological harm, neglect or negligent treatment of minor children (i.e. under the age of 18), including exposure to such harm, that results in actual or potential harm to the child's health, survival, development or dignity in the context of a relationship of responsibility, trust or power. This includes using children for profit, labour, sexual gratification, or some other personal or financial advantage.

Public investments projects such as construction of infrastructural projects for example roads, power lines, dams, and irrigation projects potentially trigger risks of VAC. VAC can be visited on children by infrastructural project through hiring of minors, also labour force on infrastructural project might abuse children within the Project area through sexual advance that could lead to early pregnancies and school dropout including exposure to communicable diseases such as HIV/AIDs a case in point was the Bigodi and Nyabubale-Nkingo case located along the Kamwenge to Fort Portal Road where serious allegations of road workers' sexual relations with minor girls which led to the cancellation of the Transport Sector Development Project (TSDP)³.

According to the MLGSD, 2017 study on violence against children, of 18–24-year-old Ugandans, one in three girls (35%) and one in six boys (17%) reported experiencing sexual violence during their childhoods. This included 11% of girls experiencing pressured or forced sex.

Additionally of Ugandans ages 13-17 years, one in four girls (25%) and one in ten boys (11%) reported sexual violence in the past year of this assessment. The Children Act of Uganda 2016 prohibits employers from “employing children in a manner that is economically exploitative, hazardous, and detrimental to the child's education, harmful to the child's health or physical, mental, spiritual, moral, or social development.

Mitigation measures

- The Programs should develop and implement child protection plans to ensure that minors are protected against negative impacts associated to the projects in line with National Children's Authority's Mandate⁴.

³ <https://www.worldbank.org/en/news/press-release/2015/12/21/wb-statement-cancellation-uganda-transport-sector-development-project>

⁴ <https://MoGLSD.go.ug/national-children-authority/>

- The project proponents should among other things clearly stipulate Code of conduct that includes:
 - Strict adherence to child protection regulations
 - Zero tolerance of sexual harassment,
 - Strict adherence to rules prohibiting Child Labour,
 - Zero tolerance to elopement and fraternization
 - Zero tolerance to exclusion and discrimination of children in vulnerable or marginalized situations

3.5.13 Increased risk of spreading HIV/AIDs

Uganda's struggle with HIV/AIDS is a pressing concern, with the disease being recognized as a cross-cutting issue in the country's National Development Plan III. The government has mandated all sectors to mainstream HIV/AIDS in their Programs and projects, acknowledging the significant impact it has on the population⁵. The prevalence of HIV/AIDS in Uganda is alarming, with an estimated 5.4% of adults aged 15-49 living with the disease, according to the Ministry of Health's 2020 estimates. Women are disproportionately affected, with a prevalence rate of 6.8% compared to 3.9% among men.

Several factors contribute to the spread of HIV/AIDS in infrastructure projects through ; influx of workers in rural areas can lead to behavioral influences that increase the risk of disease transmission., the movement of people from different regions can lead to social vices that disturb the social order and increase the risk of HIV/AIDS transmission and limited access to information about HIV/AIDS prevention and treatment can exacerbate the problem. The influx of workers also may attract vulnerable or marginalized individuals and groups in such employment and consequently be affected by HIV/AIDS. Potential discrimination and exclusion of these marginalized or vulnerable workers or persons from access to treatment and information may isolate them and exacerbate the spread of HIV/AIDS.

Mitigation Measures

- The Ministries and Agencies involve in the program should commit to upholding human rights, gender rights including mitigation of SEA/SH exclusion of marginalized groups or individuals. Similarly, HIV/AIDS should be mainstreamed in the Program's intervention preventive measures required by Uganda's safeguard laws and policies.
- Program implementing Ministries and Agencies shall strengthen their capacity to manage STD risks and impacts. HIV/AIDS will be mitigated by conducting HIV/AIDS awareness Programs guided by putting an HIV/AIDS/STI management plan.
- The project will institute the application of ESIM for effective inclusion and non-discrimination of the potential vulnerable and marginalized individuals and groups in accessing treatment and relevant information about HIV/AIDS (Guided by Appendixes 1, 2 and 3).

3.5.14 Non-Payment of Workers, Suppliers and Subcontractors

Delay in payment or the non-payment of suppliers and subcontractors of a contractor is a usual occurrence in infrastructure projects and poses a grave risk to projects which negatively impacts on the effectiveness of the contractor and as such affect project delivery schedule and it creates mistrust between the parties involved. It is therefore essential that project proponents ensure that contractors are paid on time so that they do not unnecessarily 'renege' on their contractual obligations with suppliers of goods and services to the project. Typically, local subcontractors and suppliers operate with limited capital. Delays and failure to pay them for supplies to the project can affect their financial status and even survival in business. Lastly,

⁵ Factsheet- Facts on HIV and AIDS in Uganda 2021, MoH

non-payment would trigger grievances and cause reputational damage to the project for example the Kampala-Mpigi Expressway is a prime example of a delayed infrastructure project in Uganda. Construction began in May 2020 with an expected completion date of mid-2023.

Mitigation measures

- Understanding the terms or clauses of payment in the project
- The provision of ‘pay when paid clause’ should be introduced in the contractor and supplier/sub-contractor contract
- Establish a clear and realistic payment timeline
- Respect and adhere to the agreed-upon payment schedule
- Ensure prompt payment to contractors and suppliers
- The effect of delayed payments on the project progress must be understood by all parties and personnel involved.
- Right for contractors to suspend work in the event of lateness or non-payments by the client to avoid unnecessary stand-offs with suppliers.
- Ensure inclusive and non-discriminatory consideration for payment of all affected delayed workers including any vulnerable or marginalized individuals or groups that may be affected by the project.

4.2 Procedures for the conducting E&S Assessment under the Program

Management of environmental and social aspects of investments under PIM Plus Program will involve screening to determine the level of assessment in line with the NEA and to determine the instrument to be prepared, preparation of the relevant safeguard instrument (Project Brief or ESIA), review and decision making with regard to the proposed road maintenance activity, implementation and monitoring. Throughout this process, E&S aspects are integrated into the planning of maintenance including scoping of the maintenance works, contracts and implementation process, as well as contract management and administration.

A. Screening

The first step of assessment, screening involves checking the Environment Act for the required level of ESIA, either as by way of a Project Brief (Schedule 4) or a full ESIA (schedule 5), or may require ESIA because of their location in or near environmentally sensitive areas (schedule 11). Under the Program, screening will be undertaken by MDA initiating the (road maintenance) activity in consultations with Program support staff (PST) and applicable LG staff (EOs and CDOs), using an Environmental and Social Screening Form (ESSF) including social exclusion, climate and disaster risk screening that will be attached to the Operations Implementation Manual (OIM). The screening will determine the nature of the activity and its location, key risks and impacts and an estimate of the costs required to undertake the recommended level of assessment and indicative costs of mitigation. The level of assessment to be undertaken and type of E&S risk management instrument will be either a Project Brief, ESIA or an ESMP (if the proposed project does not require the latter two, as determined by NEA. The MDA will prepare a screening report informed by the EISM guidelines (detailed under Appendix 2), based on a template provided in the POM

B. Project Briefs

For Schedule 4 projects (low risk), developers submit a project brief, which includes a concise description of the project, its location, potential impacts, and proposed mitigation measures. The project brief is reviewed by the NEMA and relevant lead agencies, who provide comments and recommendations. The Authority then decides whether to approve, defer, or reject the project based on the adequacy of the mitigation measures and the potential impacts.

C. Scoping and Terms of Reference

For activities or projects requiring a more detailed assessment (referred to as a full ESIA in the Act, Schedule 5), developers undertake a scoping exercise to identify significant issues and stakeholders. Terms of reference for an environmental and social impact study are then prepared and approved by NEMA. Detailed assessments are not expected under PIM Plus due to the low to moderate risk of expected road maintenance activities; however, this ESSA proposes that for future investments, scoping reports and TOR approved by NEMA will be presented as part of the pre-feasibility report to the DC.

D. Environment and social impact study

The study assesses the anticipated positive and negative impacts of the project, including environmental, health, social including exclusion and discrimination risks, cultural, and climate change impacts. Developers must also conduct inclusive stakeholder consultations to gather input from affected communities and the public. Upon completing the impact study, developers prepare an environmental and social impact statement, which will take into consideration EISM, which details the findings and proposed mitigation measures. This statement is submitted to NEMA for review.

For projects with potential risks to human health or the environment, developers must conduct an inclusive environmental risk assessment. This involves identifying and evaluating risks, proposing mitigation

measures, and preparing an emergency response plan. The risk assessment is reviewed by NEMA, which advises on its adequacy and ensures that appropriate measures are in place.

E. Decision-Making

The Authority reviews the impact statement, considering comments from stakeholders, lead agencies, and the public. NEMA consults with lead agencies and invites public comments to ensure a comprehensive evaluation. If necessary, a public hearing is conducted to discuss the project and gather additional input. Based on this review, the Authority may approve, defer, or reject the project. If approved, a certificate of approval is issued, allowing the project to proceed under specified conditions. The certificate is valid for up to ten years and can be extended, varied, or canceled under certain conditions. The DC requires a NEMA certificate at the feasibility stage of project appraisal.

F. Contracting process

Where road maintenance works under the Program will be contracted, an ESMP for each sub-project will be incorporated into the bidding and contract documents including technical specifications, detailed designs, and costed mitigation measures in the Bills of Materials for the execution of road maintenance works. Each contractor will be required to prepare the Contractor Environmental and Social Management Plan (CESMP) and ESHS Code of that will apply to the contractor's personnel to ensure compliance with ESHS obligations under the contract. While Standard Bidding Documents have been enhanced by PPDA to include evaluation criteria that excludes poor performance in ESHS implementation of previous projects, ESHS performance guarantee, E&S Code of conduct, etc and is generally aligned with World Bank SBD for procurement of works, entities have challenges defining specific specifications and particular conditions which should be informed by site specific studies carried out. Additionally contract implementation as regard to ESHS remains a challenge. Contracting road maintenance activities will therefore consider an appropriate level of integration of E&S aspects to manage specific risks.

G. Implementation, monitoring and reporting

Implementation of ESIA/ESMPs including NEMA conditions of approval is the responsibility of the MDA often cascaded to contractors through contracts. Contractors will be required to prepare construction ESMPs in accordance with approved ESIA/PB/ESMP. It shall contain a schedule for inspecting and reporting upon the implementation of each sub-project and associated mitigation measures including reporting on accidents/incidents and fatalities that may occur during project implementation. Under PIM Plus road maintenance activities, the PST and the MDA (MoWT) ESS teams will undertake E&S monitoring monthly, while joint monitoring will be undertaken on a quarterly basis with NEMA, MoGLSD and the relevant local government technical staff (i.e., DEO and CDO). For each road maintenance activity, a dedicated budgets for preparation of the safeguard documents (ESIAs/PBs/ESMPs) and monitoring of compliance with ESMPs will be provided.

Where the maintenance activities are substantial enough to require a Project Brief, an annual Environmental and Social Audits will be undertaken, twelve months after commencement of the projects operations as required under the NEA and the National Environment (Audit) Regulations, 2020.

4.6.3. Permitting and Licensing Requirements

There are several permits and licenses that DMAs which are implementing projects must acquire, based on their nature and location are shown on Table 2. The applicable permits/licenses will be determined following screening of the road maintenance activities.

Table 2: Permits and Licenses Required for projects

Item No.	Permit	Issuing Agency	Timing
1	Environmental approval ESIA certificate for the Project	NEMA	Prior to implementation/commencement of investment activities on sites.
2	Water abstraction permit Drilling permit construction permit	DWRM, MWE	Prior of abstraction of water
3	Discharge license for effluents and wastewater	NEMA	Authorizes discharge of effluents without compromising the existing environmental conditions and pollution of wetlands and soils
4	Certification of the Construction Engineers	Uganda Institute of professional Practicing Engineers (UIPPE)	To enable Program component on construction to be undertaken by duly qualified engineers with liability in case of any problem in the works
5	Certification of Registration of Workplace	MoGLSD/DOSH	Regulates workplaces
6	ESIA certificates for ancillary projects facilities (e.g borrow bits, campsites, quarries)	NEMA	Permits for materials sites issued after ESIA undertaken for those sites
7	Certification of statutory equipment	MoGLSD/DOSH	Before use of the equipment

4.0 ASSESSMENT OF COUNTRY SYSTEMS IMPLEMENTATION PERFORMANCE

4.1 Performance of ESIA process

Present environmental and social assessment systems in Uganda are generally aligned with good international industry practice including the World Bank core principle of **OP/BP Program** for Result Based Financing.

While 1997 EIA Guidelines require updating, the updated environmental legislation including the National Environment Act (NEA), 2019 and associated regulations provide clear guidance on the level of assessment based on risk level and specify the procedures to be followed for preparation of projects ESIA in from of project Briefs for “full ESIA”. Despite the clear guidance, the team noted that there are still some challenges regarding compliance with the requirement for prior assessments and approval before commencement of works, quality of documents prepared, and review and approval of submitted documents as stated below:

The lack of prior assessment of environmental and social impacts of projects compromises the application of the mitigation hierarchy particularly in the consideration of alternatives – a cardinal element of environmental and social assessment. As most designs are often finalized and sites selected based on economic and/or political considerations prior to the commencement of the ESIA process, there is no opportunity for environmental practitioners to consider alternatives. This has meant only one alternative is compared with the “Do nothing” alternative to justify it and fulfil the standard requirement for an analysis of alternatives chapter of the report. Multi-criteria analysis is hardly applied.

The lack of prior assessment also stems from the failure to or delayed E&S screening. In some projects implemented under PforR such as UgIFT, screening for ESHS risks/impacts of the was sometimes conducted after the selection of sub projects has been completed and civil work activities commenced on sites, leading to environmental and social considerations not being integrated in the relevant process⁶.

The violation of the requirement for prior approval occurs in both private and public investments, despite the provision for a fine or imprisonment under Section 157(a) of the National Environment Act (2019). However, for projects financed by International Financial Institutions or Development Partners, Environmental Assessments (EAs) are prepared during the feasibility stage, and site-specific Environmental and Social Management Plans are developed.

The decision-making process for ESIA statements, including scoping reports and terms of reference, often takes an unnecessarily long time. This delay is partly due to constraints faced by NEMA and other involved agencies. The legal timelines for decisions are 21 days for a Project Brief submitted to a Lead Agency, 30 days for a Project Brief submitted to NEMA, and 60 days for an ESIA report submitted to NEMA. However, these timelines are frequently exceeded, making ESIA unpopular with developers. ESIA take several months to about 2 years to receive NEMA’s decision.

In recent Bank financed operations especially PforR, the approach has been for NEMA to designate focal persons to handle environmental and social issues as a special matter. The E&S Specialists of the executing MDA are then expected to liaise these focal persons to prioritise the operations submissions. Despite this, civil works sometimes commence without the approval of the relevant safeguard documents, especially for contractors’ facilities.

Concerns over the quality of ESIA submitted for approval have persisted over the years (e.g., Ecaat, 2004; Kahangire and Vanclay, 2021). ESIA reports are generally deficient in information quality, and alternatives

⁶ Relevant process includes site selection, design, costing of mitigation measures, procurement and contracting

are not analyzed as sites and designs are predetermined. ESIA for infrastructure typically identify generic potential impacts, focusing mainly on direct and indirect impacts, while cumulative and induced impacts are rarely covered or improperly assessed. Similarly, there is limited consideration of social aspects in ESIA reports in Uganda. While ESIA are essential for identifying and mitigating the potential social impacts of development projects, they often prioritize environmental factors over social ones. Areas such as community displacement, social disarticulation, cultural heritage, and human rights tend to be overlooked. Additionally, there is insufficient public participation and consultation with affected communities, which can result in a lack of understanding of community concerns and needs. This results into inadequate and generic mitigation measures designed to address impacts on vulnerable groups within the beneficiary communities, including women, children, and other minority groups. However, ESIA are improving in identifying measures to avoid or minimize impacts.

Several factors contribute to the low quality of reports submitted for approval, including inadequate review of submitted documents, insufficient field verification by NEMA and lead agencies, inadequate resource allocation for ESIA studies by developers, and an increased number of practitioners with inadequate adherence to the code of conduct and minimum standards. Improvement in the country's systems may be difficult to attain without strengthening the body of practitioners. The Committee of Environmental Practitioners (CEP) and the Uganda Association for Impact Assessment (UAIA) play crucial roles in strengthening environmental and social management practices. The ESSA noted the need to update regulation regarding ethics and conduct of assessment practitioners such the National Environment (conduct and certification of environmental practitioners) regulations, 2003, and/or professionalise environmental management practice in general.

The ESSA findings indicate that the legislative and institutional framework for social risk management are adequate at MoGLSD. The Ministry has in place laws and policies such as Employment Act, Children Act, National Gender Policy, Child Labour Policy etc, although these are in place, the Ministry lack staff and capacity that needs strengthening for better E&S risks management. MoGLSD which is mandated to guide and supervise the functions of the Community Based Services Department (CBSD) at the Local Governments/Municipalities has inadequate capacity in terms of staff and funds to effectively carry out its mission. Regarding the review of ESIA and RAPs, MOGLSD expressed concerns about inadequate information sharing from lead agencies, particularly NEMA and MoLHUD. Additionally, while MOGLSD is responsible for overseeing and managing social related issues in the country and on projects, they lack the human resource capacity and systems to review the ESIA and RAP reports.

4.2 Community and Occupational Health and Safety Performance

The present legal regime including NEA, ESIA regulations and OSH provide for assessment and management of health and safety risks as well as reporting however implementation remains weak with much of the effort placed on provision of PPE and signage. Inadequate management of OSH risks results in high rates of incidents. In a study on health and safety (H&S) practices in Kampala, Mukono and Wakiso District, Okwel et al. (2019) found that while construction firms were generally aware of the need to uphold good practices, 40 percent of the construction site practices were generally unsafe and performance was characterized by a high accident injury rate (20.2), non-fatal injury rate (18.2) and fatal injury rate (2.0) per 100 equivalents full-time workers. The MoGLSD reported in 2023 that the prevalence of occupational injuries amongst building construction workers in Kampala City, is 32.4 percent, approximately 70 percent occurred among nightshift workers.

The more effective measures in the hierarchy of controls – elimination whenever possible, consideration of substitutes and use of engineering controls – are often less used for cost cutting purposes. In some cases, contractors do not conduct OSH risk assessments and implement projects without safe working procedures,

while using old and obsolete equipment that are also not well maintained or inspected, and do not have or follow procedures for reporting and managing incidents. At the MoGLSD there are still capacity challenges faced by the department of the Labour, Industrial Relations, and Productivity to enforce labour standards/policies, regulations, and guidelines due to the limited structure of the department and inadequate capacity. While DOSH has a relationship with labour offices at the DLG level, the structure does not provide for personnel at this level and the competences are thus lacking. Further some DLGs do not seem to prioritise the position of labour officers as compared to the recruitment for other substantive positions. As a result of low capacity, coupled with lack of coordination with the police, DOSH hardly investigates incidents.

4.3 Implementation of E&S mitigation measures

The implementation of mitigation measures in approved ESIA's is the responsibility of the project proponent and their contractors and is enforced by the NEMA in coordination with lead agencies and relevant local governments. However, discussions with Environmental and Social Officers reveal uneven environmental and social management of risks and impacts during project implementation. Examples of poor management practices include improper management of borrow pits and stone quarries, haphazard disposal of construction waste, limited use of protective safety gear, poor living conditions of workers and inadequate public and worker safety measures.

In general, environmental and social performance is better in projects financed through development partners such as the World Bank, which duly demand Borrower compliance. These projects are usually better resourced. Implementation of the E&S instruments in most projects including partner-financed projects are equally challenged as demonstrated below:

- Environmental and social risk management instruments such as Contractor - ESMPs (C-ESMPs) with clear mitigation measures, may not be adhered to during implementation.
- Furthermore, the deployment and maintenance of environmental and social management systems, which provide institutional or project/Program policies (management commitments) and procedures, are central to the implementation of mitigation measures defined in ESSAs/ESIA's/ESMPs. This may not be undertaken despite being a legal requirement set out in the National Environment Act and the Environmental and Social Assessment Regulations.
- Inadequate human resources and capacity to implement and monitor E&S compliance requirements.

One of the causes of inadequate implementation is that environmental and social mitigations are not sufficiently costed, as it is generally calculated on a lump sum basis. Specific mitigation costs for various activities or items are rarely included in the contract bid documents. In addition, mitigation measures for enhanced implementation support may not be equally included in procurement processes. The lack of a specific mitigation plans and the absence of specific cost items in the bid documents are areas that need strengthening.

4.4 Monitoring, Supervision and Reporting for E&S

Environmental and social monitoring is the responsibility of the implementing agencies, which is an area for continuing improvement informed by feedback from periodical monitoring findings (including from continuous stakeholder engagement). There has been improved monitoring and reporting by some MDA's such as the MEMD, the defunct UNRA, and LGs that are implementing entities of Bank-financed projects. However, there is no evidence to suggest consistency across all projects implemented. Overall, stakeholders stated that public investments financed by development partners where environmental and social risk management is emphasized are better monitored and supervised than those financed by the Government of

Uganda or financiers who pay less attention them. This is mainly because there is better resources allocation or reallocation (budget and personnel).

Under UgIFT, monitoring was enhanced through joint execution by key implementing ministries including NEMA, MoGLSD and PPDA. Equally, monitoring by the DLGs increased overtime as their capacity was enhanced though firms hired by MoFPED to support them. In other partner financed operations, the role of DLGs has been limited to being consulted as a stakeholder in the ESIA process but not having a technical role in planning, assessment, implementation and oversight. The OIM will incorporate these lessons learnt including quarterly joint monitoring guided by agreed terms of reference/guidelines and a template for reporting and monitoring project E&S risk management (informed by EISM guidelines).

4.5 Staffing Level /Human Resource and Technical Knowledge

The ESSA established capacity gaps in Program executing/coordinating agency – MoFPED – as well as the implementing MDAs including: NPA, OPM, MoWE, NEMA, MoGLSD, and MoWT. MoFPED has no substantive environmental and social safeguards personnel in its structure. The RCU under REAP/MoFPED, which will coordinate the Program, has a Coordinator, Liaison and Change Management Specialist, Planning and M&E Specialist, Procurement Specialist, Finance Specialist, Administration and Human Resource. The RCU manages the fund for UgIFT but it has its own Coordinator and Team, which includes an Environment Specialist and a Social Development Specialist. Therefore, the PIM Plus Program will require an Environment Specialist and a Social Development Specialist. The ESSA also noted that MoFPED Departments which play a key role in the PIMs cycles and have a bearing on effective integration and implementation of E&S including climate change have no E&S personnel and thus require training. These include PAP, BMAU and the Asset Management Department.

The capacity gap at DLG was also noted in the review of previous ESSA documents. It was found that DLGs have E&S capacity gaps due to inadequate training and a lack of personnel such as labour officers, CDOs, and environmental officers needed for these roles especially at lower local governments. To address this issue, it is necessary to engage service providers to train key DLG staff on E&S aspects, including planning, implementation, monitoring, and reporting for E&S in Programs.

NEMA has inadequate capacity in terms of human resources, which contributes to delays in ESIA review and the lack of follow-up inspections. While NEMA staff numbers has increased from about 131 before restructuring to 250, they still fall far below the 413 in its approved structure. With many newly recruited staff, skilling is identified as a necessity particularly on effective ESIA review. However, they have officers stationed at regional level to function as liaison and coordination office with NEMA headquarters. NEMA will work with the Ministry of Public Services to enhance staff numbers however the Program will support skilling of staff, including among others, taking advantage of the short course curricula developed by Makerere University (PIM Centre of Excellence and DEM) in collaboration with government stakeholders' and partnership with the World Bank.

MoGLSD has up to 11 Departments which cover all aspects of social safeguards as well as occupational health and safety. These were found with gaps in skills for social risk assessment, planning and implementation. The number of departments also presents a challenge with regards to coordination as ESIA reports shared by NEMA are largely reviewed by only DOSH. This lack of coordination could be addressed by designating a focal person to coordinate input assessments, reviews and monitoring requirements provided by the Ministry. Additionally, the lack of coordination can be addressed by putting in place Inter-agency coordination to streamline E&S risk management specifically between NEMA, MoGLSD, and MoLHUD to ensure an effective, planned and well-coordinated E&S risk management system for smooth operations and maintenance of high standards to avoid delays and cost overruns in the development process. To improve coordination, a process map should be created to manage social risks in development projects

within the emerging system. This map should outline the roles, responsibilities, functions, and coordination arrangements for key institutions, to be approved by the accounting officer of the respective institutions: NEMA, MoLHUD, MoGLSD, and MoLG. The process should be linked to the budget to ensure that requests for funding related to E&S risk management or other government responsibilities are made promptly.

NPA has a project unit, which will have an environmentalist and a natural resources economist as part of its structure. There is social unit, which focuses on gender aspects. The linkages between these units need to be strengthened including capacity for analysis in terms of environmental and broader social risks, benefits and costs. To achieve this, NPA will need to hire a Social Development Specialist and an Environmentalist to boost the human resource capacity to manage the E&S risks better.

MoWT, which will implement road maintenance activities under PIM Plus, has a division responsible for safeguards, under the office of the PS, headed by Assistant Commissioner, and is developing an EMS and plans to digitize its safeguards compliance. Some of the former UNRA staff has been recruited into the Ministry. Former UNRA staff have experience in managing large infrastructure projects with complex E&S aspects. Additionally, it was established during the ESSA that MoLHUD indicated having 13 registered valuers in the department. These did not include dedicated Sociologist, Environmentalist, Archeologist and Legal Experts to support the valuation processes within the Ministry. Similarly, MoGLSD was also found lacking the requisite capacity to review ESSAs/ESIAs and RAP reports, including providing guidance on the various critical social risk management issues.

Based on the analysis of capacity gaps at institutional level, all staff involved in the management of road maintenance activities will be required to undertake relevant E&S courses. The Team will also be required to undertake a training on Inclusion and Non-Discrimination for the appropriate application of the EISM mechanism to mitigate potential risks relating to the vulnerable or marginalized individuals or groups who may be affected by the project. Capacity building of staff for environmental and social management should be continuous to facilitate adaptation to changing and complex environmental and social issues (including risks of exclusion and discrimination of vulnerable or marginalized individuals or groups) and associated mitigation measures within the project.

4.6 Enforcement Capacity and mechanisms

Enforcement requires conducting regular inspections and monitoring to ensure that developers comply with regulations and standards including ESIAs/ESMPs, NEMA conditions of approvals and conditions in permits and licenses such as workplace registration, registration which is a requirement by MoGLSD. But it also involves community involvement in reporting violations and collaboration with other agencies as well as action against violations. In the Uganda E&S systems, enforcement is at the level of the regulators (NEMA and lead agencies) and by the MDAs that award contracts for works (contract enforcement). MoFPED would then also be expected to ensure that aspects of the PIM process, including the DC Guidelines, are observed.

Mechanisms for enforcement by NEMA include the Environmental Protection Police Unit, introduced in 2010, and annual environmental audits and inspections by designated environmental inspectors. However, non-compliance persists. Stakeholders have stated that annual audits are often not conducted on time or at all, and NEMA's review of submitted audits takes a long time with no follow-up on the implementation of corrective actions. NEMA and other lead agencies face inadequate manpower, poor coordination, and insufficient budgetary allocation. NEMA highlighted that it is constrained in terms of resources, such as vehicles for transport, mobile labs, and meters for noise and air quality required for field-based assessments, as well as resources for case management in prosecution. Similarly, MoGLSD, which is responsible for enforcing compliance on projects, highlighted the absence of specific legislation to aid in the enforcement

process of social risk management (including risks of exclusion and discrimination of the vulnerable or marginalized individuals or groups that may be affected by projects. Additionally, this issue is compounded by a shortage of human resources, despite the necessity for enforcement across the entire country.

4.7 Equipment and Tools

One of the major challenges faced by MDAs and Local Governments, including NEMA, MoLHUD and MoGLSD, is the inadequacy of environmental monitoring, valuation, and survey tools and equipment. This includes essential items such as camera GPS, computers, laptops, mobile water quality testing and monitoring kits, air quality and noise monitoring equipment, and reliable internet connection. The lack of these tools makes it difficult to conduct evidence-based E&S monitoring as mandated by national environmental laws. From consultations, NEMA as the principal agency for E&S management lacks equipment (i.e., mobile laboratory, noise, water, vibration equipment) to undertake their own field monitoring and measurements; and have been running manual systems for receive, track and provide feedback to developers and stakeholder involved in environmental and social assessments. NEMA launched the Environmental Licensing and Management Information System (ELMIS) as a web-based platform that manages the issuance of licenses, permits and certificates with benefits realized inform of online submissions, payment for licenses, and tracking of review progress; however, the lack of the complementary tools undermines its application. According to users consulted, ELMIS requires an upgrade to enhance efficiency and facilitate transparency and accountability in managing reviews and decision making – as practitioners highlighted challenges such as disappearing submissions, and the continued need to make follow-up visits to NEMA Offices. Furthermore, these issues are exacerbated by the shortage of dedicated vehicles for E&S staff to carry out field activities. Additionally, many officers lack the necessary training and exposure to new environmental equipment and technologies, hindering their ability to enforce environmental compliance effectively. These challenges significantly impede the effective management of environmental and social safeguards during the monitoring and implementation of public investment projects.

4.8 Land Acquisition

Land acquisition and resettlement is one of the biggest sources of social risks on development projects in Uganda. Particularly, outdated valuation rates which affect land acquisition in Uganda by causing disputes and delays in projects. When valuations are not current, they may undervalue properties, resulting in inadequate compensation for PAPs and leading to disputes and court cases. This can impede large-scale infrastructural projects such as road construction and oil pipeline development.

Similarly, under-estimation of the cost of compensating PAPs during project design contributes to cost-overruns and delayed project implementation to access Right of Way (RoW) and acquisition of land titles for public investments.⁷ Delayed or insufficient release of funds for compensation for land acquisition from government, collusion and land speculation in areas designated for PIM projects have been as some of the hinderances to land acquisition for public investments. As such, the unavailability of funds leads to pressure to displace people prior to the payment of compensation, which risks leaving displaced people destitute and businesses unviable. The illegality of displacement prior to compensation leaves the project exposed to legal challenges and can lead to project delays, cost overruns and political fallout. The problem is exacerbated by the unwillingness of project financiers to finance land acquisition.

Related to the above, is the reliance of GOU on cash compensation in the land acquisition as another major source of social risk in Uganda. Uganda's system for land acquisition and resettlement is entirely based on

⁷ Uganda Strengthening Public Investment Management, Public Finance Systems, and Public Sector Capacity (PIM PLUS) (P511206), 2024

cash compensation with very few examples of in-kind compensation identified in public investment project such as energy and oil and gas sectors. According with consultations with the CGV's office, the systems that focus on cash compensation, with limited consideration for livelihood restoration, which exacerbate the negative impacts of physical and economic displacement leading to lasting harm to communities not used to managing large amounts of cash responsibly. Additionally, cash compensation itself, however, carries social risks which can negatively impact family cohesion, gender equity, and poor and vulnerable groups. The focus on cash compensation is widely reported to have resulted in long term hardship for displaced people in Uganda. Moreover, the National compensation and resettlement principles do not address aspects such as livelihood restoration, transitional assistance or support and post- resettlement support and assessment. The law provides for a "disturbance allowance" of 15% (<6 months) to 30% (>6 months) above market value, considering devaluation. However, there is a lack of clarity regarding the extent to which such provisions replace livelihood restoration and other follow-up assistance or protect vulnerable persons/communities from economic, social, and cultural impacts. Further still, there is also a challenge of land tenure which also impedes the progress of public investments in many DLGs, where land is customary and is donated by the community for establishment of community based social services (schools, churches, and health facilities) which triggers contestations of ownership if land is directly affected by a project. The law also lacks provisions which should guide periodic revaluation of property to ensure the sums paid reflect fair market value at the time of payment.¹¹

In its current form, the legal framework lacks specific provisions for RAPs in Uganda. RAPs are frequently prepared for development projects that must meet donor requirements and international best practices. As such RAP reports are reviewed by the respective implementing agencies and development partners while the survey and valuation reports are reviewed and approved by the office of the Chief Government Valuer.

4.9 Stakeholder Engagement

Stakeholder engagement is an inclusive process conducted throughout the project life cycle. Where properly designed and implemented, it supports the development of strong, constructive and responsive relationships that are important for the successful management of the projects' environmental and social risks. Stakeholder engagement is most effective when it is inclusive, non-discriminative, and initiated at an early stage of the project development process. It should be an integral part of early project decisions and assessment, management and monitoring of the projects' environmental and social risks and impacts. This is important in all project stages and across all ESSs. It is particularly key in land acquisition, which takes long to formalize the processes and is a prerequisite for all public investment. Likewise, stakeholder engagement helps in identification of all potential environmental and risks and impacts at all stages.

From the consultations with lead agencies, practitioners reported the importance of early stakeholder engagement. It was added that although there has been great improvement in stakeholder consultation during preparation and implementation stages of infrastructural projects, majority of projects ignore or carry out substandard consultations, leading to delays of projects. Consultations with the MoGLSD pointed out a significant concern regarding the limited involvement of key stakeholders during project preparation and implementation. It was also reported that while some consultants/practitioners strive to reach them, many do not avail themselves for the consultations. Moreover, instances of forged comments being included in reports were cited. This emphasizes the need for a robust mechanism to ensure meaningful consultation with relevant stakeholders from different professional disciplines. Such a mechanism should provide evidence of consultation and stakeholder engagement before proceeding to subsequent project stages which would help to promote transparency.

All stakeholder engagement will promote and commit to reaching out and offering an opportunity to have voices of the vulnerable or marginalized individuals and groups to mitigate the potential risks of exclusion and discrimination. These individuals and groups by virtue of either, age, gender, ethnicity, religion;

physical, mental or other disability, social, civic, or health status, economic hardships, and or dependence on unique natural resources; may be more likely to be adversely affected by the project's risks and impacts. They are also more limited than others in their ability to take advantage of the project's benefits and opportunities. Such an individual/group are more likely to be excluded from/unable to participate fully in the mainstream consultation process and as such may require specific measures and/or assistance to do so.

Additionally, NEMA's guidelines require that all infrastructural projects ESIA's, Project Briefs, audits, and Strategic Environmental and Social Assessment (SESA) studies. It is specified that all responsible entities carry out early, meaningful, and continuous stakeholder consultations, which must be inclusive and non-discriminative. It was established, however, that many projects depart from this best practice. This often leaves out lead institutions such as MDAs, as well as DLGs, from the consultation process. This oversight often leads to a lack of vital input and oversight, ultimately compromising the effectiveness and sustainability of project outcomes.

As a policy and regulatory requirement, NEMA reporting disseminating reports to relevant agencies, including MoGLSD, providing a 21-day window for review and feedback. However, despite this effort, NEMA reported receiving no responses or comments from MoGLSD or other agencies, reflecting the institutional coordination and capacity gaps in the E&S management system in Uganda.

4.10 Grievance Redress Management (GRM)

Grievance Redress Mechanisms (GRMs) are a core medium for ongoing community engagement in projects related to public investments. In Uganda, GRMs tend to exist formally but are largely ineffective and inefficient in practice. Where they are functioning, project-level GRMs have traditionally focused on disputes over the duration of the project, and amount of compensation for project affected properties (land, structures, crops, trees etc) or local project disturbances (e.g. noise, dust, or damage to structures) are not well equipped to manage broader social risks. In recent years, however, issues such as Sexual Exploitation and Harassment and abuse, child abuse, Gender Based Violence (GBV), HIV/AIDs and other sensitive social risks have gained increasing attention and have started to be built into project-level GRMs. Where GRMs do exist and interact with the local systems (such as district local government and lower local government level complaints mechanisms), records are rarely kept and follow-up on complaints is irregular.

A review of the previous ESSA reports (ULEARN, UGFIT, GKMA), it was observed that the compliant handling system in the LGs is fragmented and not streamlined. This role is designated/relegated to the Probation and Welfare Officers in the CBSD who handle issues of Family and Child protection, women and family issues. Child protection Unit of the Uganda Police handle child protection, women and family issues; the Local Councils (LC1-5), District Land Board, District Lands Office, Resident District Commissioner's (RDC) office handle land matters; Police handles grievances of a criminal nature. The LCs also handle any other grievance reported to them if it is not of a criminal nature albeit effective grievance redress is hindered by fear of reprisal.

Additionally, most GRMs constituted at project level during implementation lack the autonomy to function independently as most complaints that are lodged are ignored or not given their due attention, for example work and community based GRMs. Lastly, in some situations, the grievances lodged are beyond the scope of the project to address and include historical injustices like dispossession of land from vulnerable groups or demands for local development projects which are not planned or budgeted for.

MoGLSD with support from the World Bank through the UGIFT project has published GRM guidelines to strengthen compliance with safeguards although these are only adopted for the WB funded projects. In districts where GRMs exist, the GMCs have mainly been established at district, sub-county, parish and

village level because of WB funded projects. However, although these are in place, grievances reported and recorded are rarely kept and follow up on complaints is irregular except for the big projects. MoGLSD does not follow up on grievances that are reported owing to lack of resources and limited staff to supervise all projects.

In response to the operation's potential risk and impact associated with exclusion and discrimination, the World Bank commits to support the strengthening of its implementation and monitoring including operations of the GRM through the EISM mechanism. This will ensure inclusion of an effective, safe, ethical, and confidential mechanism to receive, manage, refer and monitor grievances related to exclusion and discrimination. For grievances associated with discrimination or exclusion of vulnerable individuals or groups will be passed through an appropriate referral pathway to ensure solutions are reached in a safe, ethical and confidential manner. Further details of this support can be found in Appendix 2.

5.0 ASSESSMENT OF COUNTRY ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEM AGAINST P-FOR-R CORE PRINCIPLES

This section evaluates how Uganda's E&S systems align with the core principles of the World Bank's Program-for-Results Financing Policy and key considerations of the Bank's environmental and social due diligence. It identifies inconsistencies with the relevant core principles as written and practiced and their significance. Overall, Uganda's existing systems are consistent with the core principles of the Bank Policy and will be leveraged to enhance the environmental and social performance of this Program.

In addition, the concurrence of the GoU and World Bank on ensuring inclusion and non-discrimination of all project beneficiaries and stakeholders including the vulnerable or marginalized individuals and groups as highlighted in the GoU commitment and guidance (in Appendix 1) and World Bank guidance on EISM (Appendices 2 & 3); all E&S assessment processes against the core principles and project components will consider the potential risks and impacts as well as appropriate measures. Equally, implementation of the project will be continually assessed and monitored to ensure inclusion and non-discrimination (in accordance with Appendices 1, 2 & 3).

5.1 Core Principle 1: General Principle of Environmental and Social Management

<ul style="list-style-type: none"> • Bank Policy for Program-for-Results Financing: Environmental and social management procedures and processes are designed to (a) promote environmental and social sustainability in Program design; (b) avoid, minimize or mitigate against adverse impacts; and (c) promote informed decision-making relating to a Program's environmental and social effects. 	
<ul style="list-style-type: none"> • Bank Directive for Program-for-Results Financing: Program procedures will: • Operate within an adequate legal and regulatory framework to guide environmental and social impact assessments at the Program level. • Incorporate recognized elements of environmental and social assessment good practice, including • early screening of potential effects. • consideration of strategic, technical, and site alternatives (including the "no action" alternative). • explicit assessment of potential induced, cumulative, and trans-boundary impacts. • identification of measures to mitigate adverse environmental or social impacts that cannot be otherwise avoided or minimized. • clear articulation of institutional responsibilities and resources to support implementation of plans; and • responsiveness and accountability through stakeholder consultation, timely dissemination of Program information, and responsive grievance redress measures. 	
<ul style="list-style-type: none"> • Applicability: Applicable. • The Program will not directly fund civil works however will indirectly support transport or road infrastructure maintenance works which may include potential enhancements of drainage structures for climate resilience as well as works on gravel districts, urban and community access roads, and/or rail and water transport infrastructure through disbursement linked to increased budget for these activities. These activities present moderate risks and impacts on the biophysical environment and moderate to substantial occupational health and safety risks, due to the operation of construction equipment and vehicles. There are also likely indirect and downstream risks arising from investments in sectors such as roads, energy, agriculture, and water, using systems strengthened by the Program, which if not well managed, may be substantial. 	
Strength	Weaknesses
Uganda has a comprehensive environmental policy and legal framework to protect, conserve and mitigate adverse impacts, with environmental and social sustainability Enshrined in the constitution. ESAs governed by National Environment Act (NEA), Cap 181 and regulations made thereunder, with prior approval	<ul style="list-style-type: none"> • The implementation of the existing legal/regulatory provisions faces challenges due to inadequate environmental and social staff/human capacity within the implementing NEMA, lead agencies and local governments to support Environmental and Social Systems

<p>ESIA a mandatory requirement for defined projects. NEA and the National Environmental (Environment and Social Assessment Regulations), 2020 have pre-screened projects in two broad categories – those where the developer is mandated to undertake ESIA in form of Project Briefs (PB) or full ESIA, under schedules 4 and 5 respectively of the NEA.</p> <p>NEA and ESA Regulations explicitly outline the requirement to consider alternatives in terms of design, location, technology and the “no project alternative”.</p> <p>NEA and the ESIA Regulations explicitly require ESIA to cover temporal and spatial scope and characteristics of different impacts including positive, negative, direct, indirect, induced, cumulative, transboundary, temporary and permanent environmental, health, social, economic and cultural impacts of the project.</p> <p>As part of the consideration of Project Briefs, terms of reference (ToR) submitted with scoping reports, ESIA report review and approval, NEMA and lead agencies will seek to ensure that identification of the environmental effects of the project including the direct, indirect, cumulative, climate change, short-term, and long-term effects and possible alternatives are clearly elaborated.</p> <p>NEA and ESIA Regulations underline the requirement to identify measures to avoid, prevent and minimize environmental impacts including applying the “mitigation hierarchy”.</p> <p>The legal frameworks clearly define institutional responsibilities for environmental and social assessment and management. The National Environment Management Authority (NEMA) is the main agency responsible for environmental management.</p> <p>NEMA reviews and makes decisions on ESIA's in consultation with lead agencies which include MoGLSD and CCD and LGs. NEMA is also mandated to monitor and ensure compliance with environmental laws, including the implementation of the Environmental and Social Management Plan (ESMP). Local Governments review Project Briefs and ESIA's, and support monitoring within their jurisdictions. The Local Government Act and NEA outlines the roles and functions of these institutions regarding environmental and social assessment, monitoring, and staffing.</p> <p>The District Local Government structure already has provisions for the position of EO and CDO to address environmental and social issues at the local government level, most of which are filled positions.</p> <ul style="list-style-type: none"> Recent restructuring of NEMA has increased staffing, from 131 in 2023 to 250 in 2024, and could rise if the approved 413 in its structure are filled. In addition, NEMA has regional offices which support baseline verification during reviews, and monitoring on the ground. The Development Committee (DC) Guidelines 	<p>(ESS) leading inadequate integration into project formulation and designs, implementation, monitoring and enforcement.</p> <ul style="list-style-type: none"> E&S integration in some instances has been described as “superficial” or “ticking the box”, focusing on funding requirements rather than sustainability, resulting in limited measures, budgets and skill sets for effective integration. E&S aspects are often integrated late, when designs have either been advanced or completed, thus compromising project sustainability and leading to unaddressed negative impacts. While ESIA Regulations have been made to align with the NEA Cap 181 (2019), EIA Guidelines of 1997 have not yet been updated. There is also weak coordination among the various Lead Agencies and inadequate attention to environmental and social concerns, at the central and LG levels. Inadequate budgetary allocation to NEMA and LGs for effective E&S risk management, and where allocations are made for projects at LGs, they are managed in non-E&S departments or are reprioritised. Lack of early involvement of DLGs during project preparation/design development and evaluation of contractors, approval of designs and plans to satisfaction of the unique situations in the different local governments. Lack of full participation of stakeholders in engaging meaningfully on safeguard issues, especially during project implementation There are significant gaps in the quality of safeguard instruments related to environmental, social, and climate change aspects. Reviewers, including those at NEMA, MoGLSD, and local governments, often lack the necessary skills to effectively assess these instruments. Additionally, ESIA practitioners face skills gaps, and NEMA's regional officers are inadequately staffed and lack sufficient office space. Skill gaps include conducting E&S screening, PB/ESMP preparation, costing of E&S aspects in the ESMPs, climate risk assessment, analysis of alternatives, cumulative impacts assessment, integration of ESHS aspects in designs, BoQs, bidding and contract documents. While the National laws provide for NEMA approval of Project Briefs/ESIA's prior to commencement of civil works in practice works are allowed to start without the relevant safeguard documents. Despite the launch of ELMIS, NEMA decision on approval (or rejection) still significantly exceed the statutory timeline of 60 days; and stakeholders are unable
---	--

<p>require integration of environmental and social aspects at all the three stages of project consideration – Project profile, pre-feasibility and feasibility. To attain this, Project originating MDAs have Project Development Committees which are expected to consider environmental and social aspects.</p> <ul style="list-style-type: none"> • PPDA revised its SBDs to strengthen ESHS requirements in the procurement and contracting process. • NEA and ESIA regulations require stakeholder engagement during the different phases of ESIA preparation through stakeholder consultation. Stakeholders including affected Communities should be given information, their views obtained and considered. • The ESIA process provides for public hearing into the environmental and social impact statement where the project is “contentious”. 	<p>to track review progress.</p> <ul style="list-style-type: none"> • There are weaknesses in the implementation and monitoring of E&S risks and impacts plus associated mitigation measures. ESMPs are not costed, and budgets are not allocated for monitoring activities. • NEMA's capacity to monitor is low/inadequate, and audits, although required, are often biased towards majorly on environment (living out social audit requirements) and not undertaken in time or at all. Delays in an unbalanced E&S audit reviews by NEMA, and lack of follow-up on implementation of corrective action plans. • The Environmental Management System (EMS) required under Section 49 of the National Environmental Act (NEA) is not implemented. • Additionally, the Development Committee (DC) has not been monitoring E&S performance of projects during the implementation phase. • The monitoring framework used by the DC is supposed to include E&S indicators, but the Monitoring and Evaluation (M&E) framework is not explicit on these indicators. • Translating ESIAs key risks into specifications in bids and enforcement of E&S provision in contracts remain challenges
<ul style="list-style-type: none"> • <i>Actions and Opportunities</i> • MDAs that implement infrastructure projects have either established E&S Units or support structures which were such as its Program Support Team (PST), PIUs and PTCs especially where development partner supported operations have been executed. MEMD has a department headed by an Assistant Commissioner and MoWT is in the process of establishing the same. Recent or ongoing PforR operations such as USMID, UgIFT and GKMA-UDP have contributed to enhanced capacity in participating entities through training, screening templates, and joint operations by project teams, and mandatory input of E&S personnel into payment certificates. • There is effort by NEMA to reduce time delays in providing reviews and decisions on Submitted ESIAs. • NEMA: The deployment of a Environmental Licensing and Management Information System (ELMIS) has enhanced management of ESIA review and other licensing aspects, providing opportunity for automation and enhanced coordination with lead agencies. • The MoPS approved a structure with up to 413 staff at NEMA will contribute towards increased environmental and social monitoring and compliance if positions are filled. 	<ul style="list-style-type: none"> • <i>Risks</i> • Risks of Inadequate Assessment: Environmental and social aspects are often inadequately assessed due to several factors. One significant risk is the superficial integration of E&S considerations, which are sometimes included merely to fulfill funding requirements rather than to achieve genuine sustainability objectives. This approach can lead to a "tick the box" mentality, where the focus is on meeting minimum requirements rather than thoroughly assessing the potential impacts. Engineering focused firms procured to undertake feasibility studies deploy limited resources (financial and human) for E&S aspects as a cost cutting measure. Additionally, the lack of capacity, expertise and coordination among the lead practitioners and reviewers, including those at NEMA, MoGLSD, MoLHUD and local governments, further exacerbates the issue. This results in low-quality environmental and social risk management instruments including insufficient analysis of alternatives, cumulative impacts, and baseline studies. • Risks of Inadequate Integration: The integration of E&S aspects into project planning and implementation is often compromised by late involvement and insufficient prioritization. E&S

<ul style="list-style-type: none"> • Some LGs have gained some experience to date due to their participation in the implementation of other Bank funded PforR Programs such as under the USMID, UgIFT and GKMA-UDP PforR Programs. • E&S tools have been developed under similar PforR Programs such as USMID and UgIFT-AF, can be revised/enhanced and customized to the meet the ESHS requirements under ULEARN Program and disseminated to the respective DLGs. • The IPF window provides opportunity to conduct technical capacity building in E&S safeguards management across the central participating agencies and beneficiary district local E&S staff hence improving their capacity to manage E&S risks during Program implementation. • Under previous PforR Programs, enhanced SBDs were rolled out to some DLGs, nonetheless, there is still need to completely rollout these revised SBDs across DLGs to ensure harmonized and consistent use of the right SBDs. • The revised DC Guidelines require incorporation of E&S including climate change into projects, and there is room to revise templates to promote adequate integration. • MDAs have project development committees where E&S personnel could participate for early and adequate integration. 	<p>considerations are frequently integrated late in the project lifecycle, which can lead to unaddressed negative impacts that could have been mitigated with earlier intervention. Furthermore, the budget and skill set requirements for effective E&S integration are often limited, resulting in inadequate incorporation of these aspects into the core technical components of feasibility studies and project designs. This late and superficial integration can undermine the sustainability and effectiveness of projects.</p> <ul style="list-style-type: none"> • Risks of Inadequate Monitoring: Monitoring of E&S aspects is often weak due to several challenges. One major risk is the lack of allocated budgets for monitoring activities, which leads to insufficient oversight and enforcement of E&S safeguards. The monitoring frameworks are supposed to include E&S indicators, but these are often not explicitly defined or prioritized. Additionally, the capacity of institutions like NEMA to monitor projects is limited by inadequate staffing and less balance towards social expertise, lack of or inadequate tools, and insufficient funding. This lack of monitoring capacity results in gaps in compliance and enforcement, with audits and corrective actions often delayed or not undertaken at all. • Risks of poor coordination and follow-up: inadequate coordination among MDAs and other stakeholders poses significant risks to the effective assessment, integration, and monitoring of E&S aspects. • Additionally, poor follow-up of grievance redress mechanisms (GRM) by MDAs and local governments can lead to unresolved issues and increased litigation, undermining the overall effectiveness of E&S safeguards.
--	--

5.2 Core Principle 2: Natural Habitats and Physical Cultural Resources

<ul style="list-style-type: none"> • Bank Policy for Program-for-Results Financing: Environmental and social management procedures and processes are designed to avoid, minimize and mitigate against adverse effects on natural habitats and physical cultural resources resulting from Program. • Bank Directive for Program-for-Results Financing: As relevant, the Program to be supported: <ul style="list-style-type: none"> • Includes appropriate measures for early identification and screening of potentially important biodiversity and cultural resource areas. • Supports and promotes the conservation, maintenance, and rehabilitation of natural
--

<p>habitats; avoids the significant conversion or degradation of critical natural habitats, and if avoiding the significant conversion of natural habitats is not technically feasible, includes measures to mitigate or offset impacts of Program activities.</p> <ul style="list-style-type: none"> • Considers potential adverse effects on physical cultural property and, as warranted, provides adequate measures to avoid, minimize, or mitigate such effects. 	
<ul style="list-style-type: none"> • Applicability: Applicable • While activities with significant impacts on natural habitats and physical cultural heritage are excluded under the Program, Uganda has sensitive ecosystems and protected areas (wetlands, forests, wildlife reserves spread across the country) that must be considered in every planning, execution, operation and maintenance of any investment undertaking. Activities directly supported by the Program will result in civil works which could cause indirect and cumulative impacts on natural habitat such as wetland and physical cultural resources. 	
<ul style="list-style-type: none"> • System Strengths • Uganda has several legal, policy, and administrative frameworks for protecting natural habitats. The Constitution (1995) obligates the government to protect natural lakes, rivers, wetlands, forest reserves, game reserves, national parks, and land reserved for ecological and touristic purposes for the common good. The National Environment Act (2019), Section 61, manages the collection of biological resources from natural habitats for ex-situ conservation. • Under Section 115, the ESIA is required to apply the mitigation hierarchy principle, of avoidance, minimization and restoration, and evaluates whether an offset is required. This is further elaborated in the ESIA Regulations. • Section 68 of the National Environment Act (2019) mandates the protection of cultural and natural heritage. It allows the lead agency, in consultation with the NEMA, to identify, protect, conserve, and preserve monuments, buildings, objects, and sites of cultural importance, as well as natural features of outstanding universal value. • Section 114 (2(c)) of the National Environment Act requires environmental risk assessments for activities likely to impact critical habitats, species of concern, or 	<ul style="list-style-type: none"> • Gaps • The gaps identified under core principle 1, above also apply to the management of effects on natural habitats and cultural heritage. • Emphasis on an inclusive ESIA at feasibility studies stage underlines the consideration of the mitigation hierarchy as avoidance options missed out. • Projects Screening only addresses effects not strategies of interventions • Weak monitoring and tracking of offsite impacts, as sensitive ecosystems, especially wetlands, including in urban areas where for example, dumping of spoil soil to facilitate reclamation by private developers occurs. This is further exacerbated by the general lack of development control and enforcement of regulations by central and the LGs. • There is limited capacity to evaluate the economic importance of natural capital and economic heritage.

<p>cultural/natural heritage.</p> <ul style="list-style-type: none"> • The National Environment (Wetlands, Riverbanks, and Lake Shores Management) Regulations (2000) declare certain wetlands as fully protected due to their national/international importance and ecological functions, regulating activities in these areas. • The National Cultural Policy (2019) prioritizes safeguarding traditional cultural expressions and knowledge and protecting cultural rights of indigenous peoples. Key institutions for implementing this policy include MoGLSD, Ministry of Tourism, Wildlife & Antiquities (MTWA), and MDAs which originate and execute projects. • There have been cases where project designs and implementation incorporate measures to minimize or mitigate adverse impacts on natural habitats, archaeological sites, and cultural resources, involving institutions like MTWA, NEMA, and Uganda Museum. For example, the Kampala - Entebbe expressway includes viaducts on wetland sections. 	
<ul style="list-style-type: none"> • <i>Actions and Opportunities</i> • The revised DC Guidelines requires E&S integration at Project Profile stage, providing opportunity for MDAs to incorporate habitat and physical cultural heritage at early stages of project formulation and for NEMA to confirm in screening reports. • The Program Operations Manual should continue to exclude activities that will potentially cause adverse impacts on natural habitat and physical cultural heritage. • And the existing institutional arrangement for ESIA provide for lead agencies that review and guide on mitigation of impacts on natural 	<ul style="list-style-type: none"> • <i>Risks</i> • There is risk of overall emphasis on economic & financial aspects and giving less importance to cultural and natural heritage when formulating, designing and executing projects. • The additional risk is that the added cost of managing natural habitat and cultural heritage may not be considered.

<p>habitats and cultural heritage. These include the Wetlands Department at MWE, the MTWA, LGs who have EOs and CDOs.</p> <ul style="list-style-type: none"> • Precedence laid by projects such as the Kampala-Entebbe Expressway with viaducts on wetland sections; and the promotion of climate resilience in infrastructure and ecotourism by the GKMA-UDP, with mechanisms for measuring results incorporated. 	
---	--

5.3 Core Principle 3: Public and Worker Safety

<ul style="list-style-type: none"> • Bank Policy for Program-for-Results Financing: Environmental and social management procedures and processes are designed to protect public and worker safety against the potential risks associated with (a) construction and/or operations of facilities or other operational practices developed or promoted under the Program; (b) exposure to toxic chemicals, hazardous wastes, and otherwise dangerous materials; and (c) reconstruction or rehabilitation of infrastructure located in areas prone to natural hazards. 	
<ul style="list-style-type: none"> • Bank Directive for Program-for-Results Financing: • Promotes community, individual, and worker safety through the safe design, construction, operation, and maintenance of physical infrastructure, or in carrying out activities that may be dependent on such infrastructure with safety measures, inspections, or remedial works incorporated as needed. • Promotes use of recognized good practice in the production, management, storage, transport, and disposal of hazardous materials generated through Program construction or operations; and promotes use of integrated pest management practices to manage or reduce pests or disease vectors; and provides training for workers involved in the production, procurement, storage, transport, use, and disposal of hazardous chemicals in accordance with international guidelines and conventions. • Includes measures to avoid, minimize, or mitigate community, individual, and worker risks when Program activities are located within areas prone to natural hazards such as floods, hurricanes, earthquakes, or other severe weather or climate events. 	
<ul style="list-style-type: none"> • Applicability: Applicable While the Program will not directly support civil works, maintenance activities incentivized through the Program could lead to civil works that may expose workers and the public to risks such as work-related injuries, air and water pollution, solid waste, and hazardous materials at the site. 	
<ul style="list-style-type: none"> • System Strengths • The OSH Act, which is under review (OSH Bill 2023) has strong provisions of health and safety of workers and when the Bill is passed, will further enhance measures such as forming of safety committees regardless of number of workers, OSH audits, and introduction of private inspectors of statutory equipment. 	<ul style="list-style-type: none"> • Gaps • Limited coordination between NEMA and MoGLSD/OSH Department affects the review of OSH aspects in ESIA, leading to delays or failure to provide comments. • Lack of coordination between OSH Department, Police LGs (Labour Officer) affects the investigation of OSH related

<ul style="list-style-type: none"> • The Ministry of Gender, Labour and Social Development (MOGLSD) is the focal ministry on occupational health and safety issues. The Labour Inspectors at the District level support the Municipality in dealing with worker and public safety issues. • There are occupational health and safety guidelines developed by MoGLSD, which are applicable across the country. • The present legal regime for ESIA, NEA and ESIA Regulations, underline assessment and management of health and safety risks to workers and communities, with MoGLSD as a lead agency which reviews remissions to NEMA. • The SBD incorporate Health and Safety provision including management plans and safety officers as key personnel. • 	<p>incidents, with unclear roles and responsibilities among the Police, OSH Department, and LGs.</p> <ul style="list-style-type: none"> • Weak monitoring and enforcement of contracts has meant that plans and contractual provisions are not implemented including deployment of Health and Safety Personnel. As a result, safety incidents have remained high. • Inconsistent OSH Behavior and prioritization where managements' (of MDAs that are project owners including the associated political leadership, supervising consultants and contractors' managers) inconsistent behavior towards OSH and the prioritization of production over safety are significant barriers to effective OSH implementation. This inconsistency has led to a lack of commitment to safety protocols, resulting in increased risks of accidents and injuries. • Weak capacities to ensure compliance to required national standards within the implementing agency and DLGs. In some LGs, there is no substantially appointed Labour Officer to handle labour related issues. • There is general lack of awareness on public health and safety issues, particularly in relation to exposure to workplace safety aspects in hazard prone areas etc. • There is poor maintenance of infrastructures by implementing agencies after completion, that could impact on public safety, as these aspects are not deliberately incorporated.
<ul style="list-style-type: none"> • <i>Actions and Opportunities</i> • MoFPED and its Program Support Team (PST) is an opportunity for oversight and advice to the MDAs on safety issues. • ELMIS launched by NEMA provides opportunity for enhanced collaboration in the review of ESIA's by OSH and the Department of Equity and Rights which responsible for the wider social risk management, allowing for enhanced integration of health and safety into 	<ul style="list-style-type: none"> • <i>Risks</i> • Inadequate incorporation of health and safety measures into project designs and budgets such as safe crossings on roads, walkways, jersey barriers, scaffoldings, cost of hire of safety personnel, costs of medical examinations, equipment and tools in good conditions or that have health and safety features, etc. • Risk of undermining of safety requirements and protocol in favour of

<p>ESIAs, in line with NEA and Regulations.</p> <ul style="list-style-type: none"> • SBD provide Health and Safety requirements which can be enhanced when preparing bidding documents for specific projects. • There is an opportunity for training on health and safety management provided in the course modules developed by Makerere University in Collaboration with MoFPED. 	<p>progress of works, especially when physical progress is prioritized at stages of project implementation that precede delays.</p> <ul style="list-style-type: none"> • Low capability at MDAs, and Local Government level prevents thorough attention to the prevention of community and worker injuries & fatalities. • The lack of health and safety culture in MDAs, Project Teams, Design and Contract Supervision Teams, and Contractors leading to behaviors and practices that undermine good safety practices and protocols, resulting in increased risks of accidents and injuries. The practices and protocols which could be undermined include carrying out risk assessments and implementing control measures based on the hierarchy of controls, inductions and training, instituting and implementing safety codes of conducts, pre-employment medical examination, maintenance of safety logs, reporting and investigation of incidents, registration of workplaces, certification of statutory equipment, first-aid and treatment of work-related injuries, workman compensation, etc.
--	---

5.4 Core Principle 4: Land Acquisition

<p>Bank Policy for Program-for-Results Financing: Land acquisition and loss of access to natural resources are managed in a way that avoids or minimizes displacement, and affected people are assisted in improving, or at least restoring, their livelihoods and living standards.</p>
<p>Bank Directive for Program-for-Results Financing: As relevant, the Program to be supported:</p> <ul style="list-style-type: none"> • Avoids or minimizes land acquisition and related adverse impacts; • and addresses economic and social impacts caused by land acquisition or loss of access to natural resources, including those affecting people who may lack full legal rights to assets or resources they use or occupy; • Provides compensation sufficient to purchase replacement assets of equivalent value and to meet any necessary transitional expenses, paid prior to taking of land or restricting access; • Provides supplemental livelihood improvement or restoration measures if taking of land causes loss of income-generating opportunity (e.g., loss of crop production or employment); and • Restores or replaces public infrastructure and community services that may be adversely affected.
<ul style="list-style-type: none"> • Applicability Applicable <p>The Program will not provide direct support to investments that require land. However, all systems supported such as roads, drainages, water supply systems, schools, and health facilities will be covered</p>

since their implementation can potentially trigger economic and physical displacement which might be minor, moderate or substantial.

System Strengths

- The Constitution of Uganda and its Land Act explicitly requires that if a person's property is compulsory acquired, that person must receive prompt payment of fair and adequate compensation prior to taking possession of the property.
- All institutions that implement public infrastructure projects have the responsibility of acquiring land required by specific projects.
- Institutions are also responsible for preparing terms of reference for the preparation of the compensation plans including the valuations of the properties following the rates established by districts within which the Program is located. These are then approved by the Office of the Chief Government Valuer (CGV) which is responsible for compensation issues in terms of clearing resettlement packages for the project affected people.
- At Pre-feasibility and feasibility stages preliminary RAP studies are conducted by institutions using secondary and primary data to inform the realistic project costing, and social considerations such as physical displacement and involuntary resettlement.
- MGLSD is also developing National equity guidelines to support affected communities living and surrounding natural resource areas.

Gaps

- Despite the provisions in the Constitution and Land Act, implementing rules on compensation are unclear. The country's legal framework does not provide details to clarify and enforce on the promptness, fairness, and adequacy of the compensation required under the Constitution.
- The framework does not include compensation for economic displacement, for example, impacts on livelihood. However, oftentimes these are included in projects financed by donors such as the World Bank. Thus, the awareness of implementing entities on livelihood impacts appears to be inconsistent and generally weak.
- Furthermore, the compensation framework is devoid of cultural appropriation. Most land acquisition activities involve physical displacement, which results into social disarticulation and erosion of social capital which is never given due consideration when planning and resettling PAPs. As a result, social risks such as GBV, child labour, limited access for PWDs obtain long after project completion despite not being accessed and considered during the compensation process.
- There are no explicit requirements in Ugandan law to avoid or minimize land acquisition, displacement or other social impacts.
- The Draft Resettlement Policy (2018): Remains unapproved, leaving resettlement actions unstandardized.
- The outdated Legal Frameworks, such as the Land Acquisition Act (1965) causes compensation delays due to unclear valuation rates.
- Timing of Compensation. The Constitution of Uganda stipulates that "No person shall be compulsorily deprived of property or any interest in or right over property of any description" without "prompt payment of fair and adequate

	<p>compensation, prior to the taking of possession or acquisition of the property.” However, the Land Acquisition Act (LA Act) (1965) (Section 7) is inconsistent with the Constitutional stipulation. The LA Act does not require that payment be made prior to the taking of land and specifically allows the Government to take possession as soon as the corresponding compensation amount has been determined.</p> <ul style="list-style-type: none"> • GoU resettlement principles do not address aspects such as livelihood restoration, transitional assistance or support and post-resettlement support and assessment. • The Ugandan regulatory framework for land acquisition fails to define tenure-specific approaches to land acquisition and does not recognize other rights to land; such as the right to farm, build on, hold a mortgage over, occupy, or grant use of the land to another entity. In addition, the law makes no provision to compensate renters, licensees, informal settlers or users of public land when the land on which they reside or operate is compulsorily acquired. • Based on consultations with the office of the Chief Government Valuer (CGV) under the Ministry of Lands, Housing and Urban Development (MoLHUD) it was revealed that the Terms of Reference (ToR) for the CGV's office are primarily focused on valuation and surveying during land acquisition process. Therefore, the office's responsibilities are confined to determining the amount of compensation for PAPs for a specific project. •
<p><i>Actions and Opportunities</i></p> <ul style="list-style-type: none"> • Strengthening of country, district Local governments, city and municipal council systems through capacity building, technical assistance and institutional reinforcement to manage and implement land acquisition process and associated environmental and social risks to acceptable standards. Strengthening social risk management (personnel) capacities to enforce Land acquisition implementation. 	<p><i>Risks</i></p> <ul style="list-style-type: none"> • Systematic implementation of land acquisition procedures as required by the WB policies due to weaknesses of the national policies • Potential involuntary resettlement without compensation to informal settlers occupying public land illegally • Delay of land acquisition due to lack of capacity at institutional level.

	<ul style="list-style-type: none"> • Lack of financial resources within the MDAs for land acquisition for the Program
--	--

5.5 Core Principle 5: Indigenous Peoples and Vulnerable Groups

<p>Bank Policy for Program-for-Results Financing: Due consideration is given to cultural appropriateness of, and equitable access to, Program benefits giving special attention to rights and interests of Indigenous Peoples and to the needs or concerns of vulnerable groups.</p>	
<p>Bank Directive for Program-for-Results Financing:</p> <ul style="list-style-type: none"> • Undertakes free, prior, and informed consultations if Indigenous Peoples are potentially affected (positively or negatively) to determine whether there is broad community support for the Program. • Ensures that Indigenous Peoples can participate in devising opportunities to benefit from exploitation of customary resources or indigenous knowledge, the latter (indigenous knowledge) to include the consent of the Indigenous Peoples. • Gives attention to groups vulnerable to hardship or disadvantage, including as relevant the poor, the disabled, women and children, the elderly, or marginalized ethnic groups. If necessary, special measures are taken to promote equitable access to Program benefits. 	
<ul style="list-style-type: none"> • Applicability: Applicable <p>The Program might not necessarily be implemented in areas where indigenous peoples/Sub-Saharan Africa Historically Underserved Traditional Local Communities, known in Uganda as VMGs, exist. However, there is potential to exclude VMGs and other disadvantaged groups from accessing information and other Program benefits and opportunities due to inadequate stakeholder engagement, disability, literacy, and mobility challenges. According to one of the Equal opportunities guiding principles, all MDAs should provide for the involvement of marginalized groups in all spheres of social and economic life and make them joint partners in the decision-making process at all stages of Program life cycle from preparation to implementation</p>	
<p>System Strengths</p> <ul style="list-style-type: none"> • Under the Constitution, the country has a number of policies and acts that support the protection and promotion of the rights of vulnerable groups, which include National Gender Policy, National Policy for Older Persons, Equal Opportunities Commission Act, Children Act, and National Council on Disability Act. The GOU also has the Ministry of Gender, Labour and Social Development for the protection and promotion of rights of the vulnerable groups. • Specifically, Article 32 of 1995 Constitution of Uganda on affirmative action in favour of marginalized groups states that the State shall take affirmative action in favour of groups marginalized on the basis of gender, age, disability or any other reason created by history, tradition or custom, for the purpose of redressing imbalances which exist against them. 	<p>Gaps</p> <ul style="list-style-type: none"> • There are no clear guidelines, for targeting and inclusion of VMGs and other disadvantaged groups. The lack of meaningful consultation hampers their engagement in the development process and access to culturally appropriate Program benefits and opportunities. • Non-compliance by Implementing Agencies to required national principles and values on inclusiveness, equity, equality, social justice, non-discrimination, protection of the marginalized, good governance, transparency and accountability and promotion of human rights and sustainable development. This is due to weak multi-sectoral coordination, limited HR capacity and budgets, lack of an effective M&E system, inadequate engagement of VMGs

<ul style="list-style-type: none"> • The Ugandan Constitution goes further to provide for the protection of minorities in Article 36 which 2 grants Minorities the right to participate in decision making processes and their views and interests shall be taken into account in the making of national plans and Programs. 	<p>and other disadvantaged groups and information disclosure, lack of awareness among the VMGs on their rights and entitlements, and weak compliance enforcement.</p> <ul style="list-style-type: none"> • The existing stakeholder engagement, grievance resolution, and feedback mechanisms within different institutions are not positioned to address challenges that are specific to VMGs such as representation and access to Programs, because they focus on issues that affect the mainstream society.
<p><i>Actions and Opportunities</i></p> <ul style="list-style-type: none"> • Enforce the Access to Information Act 2005 and Equal Opportunities Act 2007, to ensure relevant information held by public offices is availed to the public. • Create the awareness on potential risks of exclusion from and/or discrimination against vulnerable or marginalized individuals and different groups in the planned public investments • Undertake inclusive and meaningful consultations with all segments of the public, including VMGs and other disadvantaged groups, informed by the constitution and its attendant legal provisions. • Utilize communication techniques beyond wide stream media such as public forums, use of local languages, mainstreaming all the different individuals and groups of the vulnerable or/and marginalized (in line with different causes identified under 5.9 above) in public participation. • Enhance the functionality and effectiveness of the institutional GRMs to ensure inclusion, non-discrimination, sensitivity, accessibility and cultural appropriateness and anonymous and confidential reporting and handling of complaints guided by EISM guidelines (According to Appendix 3) • . If deemed necessary, differentiated consultations and/or outreach activities will be organized for the vulnerable or marginalized individuals and groups that may be affected. 	<p><i>Risks</i></p> <ul style="list-style-type: none"> • Weak compliance enforcement, leading to the exclusion or discrimination of VMGs and other disadvantaged groups from the consultation process and access to Program benefits and opportunities. • Excluding VMGs may lead to inefficient resource allocation, as Programs may not be tailored to the needs of vulnerable or marginalized individuals or groups. • Ignoring the needs and concerns of vulnerable or marginalized individuals or groups may reduce the economic benefits of public investment, as Programs may not be sustainable or effective. • Increased poverty: Failure to consider the needs and interests of vulnerable or marginalized individuals or groups may perpetuate poverty and exacerbate economic disparities. •

<ul style="list-style-type: none"> • An EISM GRM may be established as an alternative to lodging complaints through a GOU led Project-level GRM to ensure mitigation of the potential impacts of exclusion and discrimination through the following: <ul style="list-style-type: none"> • i) Enhancing existing project-level grievance redress mechanisms to safely, ethically, and confidentially receive cases related to discrimination on World Bank/IFC financed operations and refer them to an appropriate grievance handling mechanism. ii) Designing and operating a mechanism for receiving grievances related to discrimination on WB-financed operations (including from project-level grievance mechanisms noted above). iii) Establishing a hotline or an alternative complaint mechanism, for individuals to lodge complaints of discrimination on WB-financed projects or voice their concerns without fear of reprisal. A hotline (0800 333125) will be hosted and operated by a local NGO on behalf of the EISM International entity – as an avenue to lodge complaints of discrimination. The guidelines on how the hotline will be used and cases managed are outlined in Appendix 3. 	
--	--

5.6 Core Principle 6: Social Conflict

<p>Bank Policy for Program-for-Results Financing: Avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes.</p>
<p>Bank Directive for Program-for-Results Financing: Considers conflict risks, including distributional equity and cultural sensitivities.</p>
<p>Applicability: Applicable</p> <p>The PIM PLUS Program is aimed at strengthening the GoU’s performance and accountability in public investment and asset management, including mainstreaming attention to climate risks and resilience. In doing so, the Program could potentially yield significant social benefits to all citizens in Uganda. ESSA consultations indicate that there have been some conflicts between MDAs, DLGs, LLGs and beneficiary communities in the past, mainly on issues pertaining to land acquisition, valuations and compensation issues. The Program will not undertake projects that will cause or exacerbate social conflict in fragile states, post-conflict areas or areas subject to territorial disputes, or cause social conflict or impact distributional equity or associated cultural sensitivities. On the other hand, the principle is applicable due to social conflicts that may arise due to labour influx in the project areas such as gender-based violence, increased risk of illicit behaviour and crime, increased burden and competition on public resources, exclusion and discrimination of vulnerable or marginalized individuals and groups, and increased risk of communicable diseases, among others.</p>

<p><i>System Strengths</i></p> <ul style="list-style-type: none"> • Article 32 of the 1995 constitution of Uganda clearly stipulates the marginalized groups that are recognized in Uganda. • The country systems have clearly articulated the minimum requirements for equitable access and benefits for the disabled, women and the youth in its Programs • The government systems have embedded in the constitution the citizen engagement through a meaningful consultation and public participation requirements on all government Programs as part of the devolution process. The constitutional provisions are explicitly supported by primary legislation the stated purpose of which is 'to give effect to the decentralisation and devolution of functions, powers and services; and to provide for decentralisation at all levels of local governments to ensure good governance and democratic participation in and control of decision making by the people • Beyond the Constitutional requirements above, the GoU has taken actions to ensure inclusion and non-discrimination of vulnerable or marginalized individuals and groups in all World Bank funded projects as defined in Appendix 2. • The MoGLSD developed the National Action Plan on Business and Human Rights and talks about all social issues to do with the way businesses are impacting on the rights of vulnerable groups as well resettlement and integrating grievance handling mechanism. This Action Plan emphasizes on Human rights protection, protecting • 	<p><i>Gaps</i></p> <ul style="list-style-type: none"> • There is little attention given on preventative measures to address social conflicts across the country, including public debate or policy discourse on crime and violence prevention • Weak grievance mechanisms to manage social conflicts (including inadequacy in dealing with exclusion and discrimination concerns) at the National and DLG levels. Despite establishing a GRM framework at district local governments and lower local governments, functionality is yet to take root as many LGs are not aware of the circular. • Inadequate financial and human resources by MoGLSD to conduct independent social risk management audits to enforce compliance with the national laws and regulations • There is no mechanism for valuation and compensation for cultural heritage. Worst still, only tangible aspects and considered for valuation while the guidelines are silent on the intangible aspects. • Lack of reliable data to identify causes of social conflicts, e.g crime, violence, exclusion and discrimination in project areas including urban areas. • Disregard for social risk management measures by project personnel and contractors. • Weak capacities to ensure compliance at the implementing agency and the law enforcement • Weak systems to disseminate information and mechanisms to reduce social conflicts at national, DLG, City and Municipal levels • The ESSA preparation process has highlighted concerns regarding the grievance redress system (including the need for inclusion and non-discrimination of all identified vulnerable individuals or groups that may be affected by the project), Particular reference is put on addressing grievances after project
---	--

	closure/completion with insufficient allocation of resources to grievance redress, making it challenging to address concerns effectively and lack of clear mechanisms for addressing grievances after project closure/completion.
<p><i>Actions and Opportunities</i></p> <ul style="list-style-type: none"> • There is a commitment at the national and DLG levels to encourage utilization of local labour to empower the local communities during Program implementation • Training on applicability of this principle to the Program • Development of robust inclusive stakeholder management strategies within the systems as part of the current Public Participation Programs to strengthen and systematize projects consultation processes and grievance redress mechanisms • Integrate contractual obligations in the legal agreements and contracts for contractors to take responsibilities of the social risks, with appropriate mechanisms for addressing compliance • The World Bank hired international entity will undertake strengthening the capacity of the Project Implementation Support Team, workers, and contractors, subcontractors, and service providers ensuring that contracts, codes of conduct, hiring procedures, whistle-blower protection protocols, and other measures, as needed, are in place to allow remediation of cases of discrimination 	<p><i>Risks</i></p> <ul style="list-style-type: none"> • Lack of identification of social risks brought about by social conflict, including prevalence of gender-based violence, exclusion and discrimination, violence against children, child labour in project beneficiary communities • Contractors, implementing agencies and DLGs with weak E&S capacity to manage social risks and reluctance to procure the services of social safeguards personnel • Unavailability of local labour leading to a high ratio of labour influx vis-à-vis host population • Pre-existence and recurrence of social conflicts or tensions in project locations • Political interference that exacerbates social conflicts

6.0 RECOMMENDATIONS AND PROGRAM ACTION PLAN

6.1 Conclusion

This ESSA provides a comprehensive analysis of the environmental and social risks, impacts, and benefits associated with the PIM Plus Program. The report highlights the strengths and gaps in Uganda's existing environmental and social management systems and proposes measures to address these gaps and enhance the Program's performance.

The ESSA identifies several key strengths, including a robust legal and policy framework for environmental and social management, the presence of dedicated institutions such as NEMA, MoGLSD and MoLHUD, decentralised local governments, and efforts towards the integration of environmental and social considerations into project planning and implementation. However, the report also highlights significant gaps, such as late and inadequate integration of environment and social aspects into projects, delayed decision making by the regulator and weak implementation and monitoring of projects. These gaps arise from challenges that include inadequate staffing and resources, weak coordination among agencies, and lack of, or inadequate, tools and equipment, and skill gaps as well as inadequate allocation of financial resources for environmental and social sustainability, including management of risks and impacts of investment projects. The ESSA underscores the importance of a holistic (and inclusive) approach to environmental and social management, ensuring that the PIM Plus Program promotes sustainable development, protects vulnerable or marginalized groups, and mitigates potential risks and impacts including those associated with exclusion and discrimination of the vulnerable or marginalized individuals and groups – with measures incorporated into the financing agreement, DLIs and the Program Action Plan.

6.2 Strengthening DLIs/DLR

The PAD and ESSA identify several causes of the late and inadequate integration of environmental and social aspects into public investments, implementation, enforcement (of contracts), monitoring and reporting to include low institutional capacity gaps in terms of number of relevant personnel, skills and tools; insufficient allocation of financial resources for sustainability of public investments including ESIA studies and implementation of mitigation measures; weak coordination among lead agencies including LGs; inadequate data and monitoring systems; and outdated or gaps in system guidelines/procedures need to ensure the relevant entities adequately integrate, confirm, monitor and report environment and social sustainability aspects throughout the PIM cycle, including asset management and maintenance. In line with the Program's aim of strengthening systems for public investments including responding to effects of climate changes and enhancing sustainability of investments, the ESSA process resulted in strengthening DLIs and DRLs required to attain the relevant result areas, specifically DLIs 3 4, 5 and 8 (Table 3).

Table 3: E&S sustainability DLIs and DRL that have been integrated into Program design

	DLI	DLR
Results Area 1: Resource and sector planning and budgeting improved and climate responsive		
DLI3	<i>Programme and physical plans reflect environmental sustainability, climate adaptation and mitigation priorities</i>	DRL 3.4: (ii) At least 2 additional physical development plans capturing environmental sustainability and climate risks and resilience measures have been approved and gazetted by NPA; and (iii) PIAPs for water and works incorporate environment, social, natural

		resources, climate mitigation and adaptation measures.
Results Area 2: Project readiness strengthened, including resilience and sustainability		
DLI4	<i>% of new projects that have met DC appraisal and selection criteria before inclusion in the PIP</i>	DLR 4.1: Issuance of revised DC project selection criteria which include consideration of environmental sustainability and climate resilience and mitigation measures.
DLI5	<i>Environment and Social Safeguards Integrated Across Project Cycle, including evidence of citizen engagement and gender and equity considerations</i>	<p>DLR 5.1: (i) NEMA, MoGLSD and other lead agencies jointly update and disseminate EIA guidelines, including clarification of institutional roles and co-ordination mechanisms, and issue templates for environmental and social (E&S) screening (project profiles) and scoping (pre-feasibility); ii) Update and disseminate the National Environment (Conduct and Certification of Practitioners) regulations, 2003</p> <p>DLR 5.2: At least two ministries under the Integrated Transport Infrastructure and Services Programme and Human Capital Development Programmes use the updated ESA guidelines and regulations and integrate E&S requirements at project profile (screening report), pre-feasibility (scoping) and feasibility stages (full ESIA) respectively for at least 80% of their proposed projects.</p> <p>DLR 5.3: At least 75% of new projects have integrated E&S requirements at project profile (screening report),pre-feasibility (scoping) and feasibility (full ESIA) stages respectively, including gender and equity considerations and citizen engagement.</p> <p>(i) DLR 5.4: (i) NEMA in consultations with MoGLSD and other lead agencies will review at least 85% of ESIA reports and make a decision within the statutory time; (ii) at least 75% of new projects have applied for ESIA certificates prior to DC approval and inclusion in the PIP</p>
Results Area 3: Project execution strengthened		
DLI8	<i>"Percentage of projects for which approved climate resilience and E&S measures are monitored and reported on during implementation</i>	<p>DLR 8.1: (iii) NEMA [in consultation with MoGLSD and other lead agencies] has developed and approved a new Environmental and Social audit certification mechanism.</p> <p>DLR 8.2 (ii) Responsible entities disseminate the new Environmental and Social audit certification mechanism.</p> <p>DLR 8.3 (i) For new projects approved since FY2025/26: Climate resilience measures are adhered to and reported on for at least 30% of</p>

		<p>projects; (ii) E&S compliance inspections are undertaken for at least 40% of public investment projects.</p> <p>DLR 8.4 For new projects approved since FY 2025/26: (ii) E&S compliance inspections are undertaken for at least 60% of public investment projects.</p>
--	--	---

6.3 Elaboration of and applying good practices and lessons learnt from previous Programs and Projects in the POM

Good practices and lessons learnt from previous Programs and projects for elaboration in the POM and subsequent implementation in the Program include:

- a) ensuring that LLGs are trained (by the DLG, implementing MDAs) on E&S monitoring including GRMs, etc.

6.4 Program action plan

The summary Table 5 presents the actions to be included in the Program Action Plan (PAP) with indicative timeline, responsibility for implementation and indicators for measuring the completion. These actions may be further refined and adjusted during the consultation process and the implementation of the Program, as required.

Table 4: Proposed Program Action Plan (PAP) relating to E&S Considerations

Action Description	DLI	Responsible Party	Timing	Completion Measurement
1. Recruit/second one Environment Specialist and one Social Development Specialist as part of the Program Coordination Unit/Support Team for the PforR component and maintain the staff throughout the implementation	N/A	MoFPED	Before Effectiveness	Staff recruited or seconded
2..Implement a SEP with a grievance redress mechanism, aligned with the 2020 MoGLSD circular, to ensure effective and meaningful SE and efficient grievance management for all stakeholders, including vulnerable and marginalized groups.	RA2-DL5	MoGLSD and RCU/MoFPED	Within the first year of Program effectiveness	Guidelines put in place to ensure that MDAs and LGs prepare SEPs and GRM that is aligned with MoGLSD circular.
3.Update Valuation guidelines with methodology for valuing natural resources and update the DLG assets valuation rates,	RA2-DLI 4	All -MDAs	Prior to implementation of the affected activities by the relevant MDA	Valuation guidelines updated with methodologies and approached for

enhance the Land Management Information System (LMIS,) and train key implementers on updated guidelines and use of LMIS.		MoLHUD	Year 2,3,4	<p>natural resource / capital valuation, and disseminated</p> <p>CGV staff including other key implementing agencies trained on methodologies and approaches to natural resource / capital valuation.</p> <p>Assessment and compensation for loss in new projects covers natural resource / capital, and based on rates updated a very three years by DLGs</p> <p>Enhanced LMIS efficiently functioning and in use by implementing agencies.</p>
4.Recrut or second one person at NEMA and one person at MoGLSD to support institutional coordination including all participating MDAs.	RA2-DL5	MoFPED NEMA, MoGLSD,	Year 1, 2, 3, 4	<p>Personnel recruited or seconded to the program</p> <p>Operational coordination mechanism in place</p>
5.Upgrade ELMIS system and provide complimentary equipment for its effective and efficient application by NEMA its lead agencies and train on the upgraded system.	RA2-DLI	NEMA, MoGLSD	Year 1, 2, 3	<p>Upgraded system that is in use by NEMA and lead agencies including DLGs</p> <p>Number of Equipment's provided to NEMA,</p> <p>MoGLSD, DLGs and lead agencies</p>

				<p>User agencies trained on the upgraded system.</p> <p>60% of lead agencies using upgraded ELMIS system by year 3</p> <p>80% of lead agencies using upgraded ELMIS system by year 4</p>
<p>6. Training on Environment and Social Sustainability. Skills training of key MDAs and LGs on assessments, ESIA reviews, integration of considerations into designs and procurement, ESMP costing, monitoring, and effective application of DC Guidelines among others</p>	RA2-DL5	<p>NEMA, MoGLSD and RCU/MoFPED</p> <p>All MDA, NEMA, MoGLSD, LGs, and RCU/MoFPED</p>	<p>Year 1</p> <p>Year 2, 3, 4, 5</p>	<p>Support Makerere University Partnerships and other academic institutions and build capacity building initiatives under other WB financed projects. (e.g. Materials + online E-learning platform).</p> <p>Number of MDAs, DLGs that have been trained, adopted, and using the Consolidated Popular version of the E&S guideline prepared under UGIFT.</p> <p>Number of personnel in Lead Agencies (NEMA, CCD, MoGLSD, LGs involved in PIM Plus interventions and implementing MDAs trained.</p>

APPENDIX 1: ACTIONS TAKEN BY GOU TO ENSURE INCLUSION AND NON-DISCRIMINATION

Appendix F highlights recent actions taken by the GOU to ensure inclusion and non-discrimination of vulnerable or marginalized individuals or groups. It also includes transcripts of relevant Guidelines and Circulars issued by the GOU.

The Anti-Homosexuality Act was passed on May 26, 2023. The Government has continued to ensure inclusion and non-discrimination in all its projects and consistent with this, the Government has taken the following measures:

- **Letter of Assurance** (Sept 21, 2023) to all Ministries, Agencies, and local governments to implement mitigation measures on non-discrimination in WB-financed operations.
- **Budget execution circular** (July 10, 2023) to all public servants to ensure that projects are in line with Ugandan Constitution which emphasizes equality of all persons without prejudice or discrimination.
- **Circular on provision of health services** (June 5, 2023) that includes measures not to discriminate or stigmatize any individuals who seek health care for any reason.
- **Circular on provision of education services** (August 18, 2023) to all people without discrimination and exclusion in the delivery of education services, Programs, and projects.
- **Circular issued by the Director of Public Prosecutions** (August 29, 2023) stating that prosecutors should seek guidance from ODPP before decision to charge is made with regard to risks of exclusion and discrimination of vulnerable or marginalized individuals and groups.

Of particular importance is the Letter of Assurance of September 21, 2023, from the Permanent Secretary/Secretary to the Treasury on Uganda's Social Safeguard Policies following excerpts:

“Following the World Bank Group’s concern with Uganda’s enactment of the Anti-Homosexuality Act, 2023 and as communicated in the budget Execution Circular 2023 of FY 2023/2024 on 18th July 2023, we guide:

- *All World Bank-financed projects must be implemented in a manner consistent with the principles of non-discrimination as provided under Article 21 of the Constitution of the Republic of Uganda. These projects should also be implemented in accordance with World Bank policies and applicable Legal Agreements*
- *Under these projects, no person will be discriminated against or stigmatized, and the principles of non-discrimination and inclusion will be adhered to. Support should be provided to all project beneficiaries.*
- *All implementing entities of World Bank [supported] projects should agree and implement specific mitigation measures to address non-discrimination.*
- *These mitigation measures will require enhancing project grievance redress mechanisms as well as strengthening existing project monitoring by implementing entities including third-party monitoring where applicable.*
- *Each project implementing entity shall develop comprehensive guidelines to address non-discrimination.”*

The following transcripts of relevant Guidelines and Circulars issued by the GOU are included in this Appendix: Letter of Assurance; Circular on provision of health services; Circular on provision of education services; Circular issued by the Director of Public Prosecutions, and relevant excerpts from the Circular on Budget Execution.

Telephone: 256 414707000/232095

Fax : 256 41 4233524

Email : finance@finance.go.ug

treasury@finance.go.ug

Website : www.finance.go.ug

Plot No. 2-8 Apollo Kaggwa Road

In any correspondence on

This subject please quote No. ALD 141/259/01 TC



Ministry of Finance, Planning &
Economic Development,
P.O. Box 8147
Kampala, Uganda

21st September 2023

The World Bank Country Manager
Uganda Country Office
Kampala, Uganda.



UGANDA'S SOCIAL SAFEGUARD POLICIES

I am writing in reference to the above subject. Further reference is made to our letter dated 28th July, 2023 on the same.

Government of Uganda wishes to reiterate that World Bank-financed projects will be implemented in a manner consistent with the principles of non-discrimination within the provisions of Article 21 of our Constitution.

The Government confirms that it will ensure that under these projects, no person will be discriminated against or stigmatized and that the principles of non-discrimination and inclusion will be adhered to. The Public Finance Management Act, 2015 also emphasizes equality of all persons to access opportunities and benefits from projects and programs without prejudice and discrimination.

Further to the above, we have issued the attached instructions to all implementing entities of Government projects and programs which communicate about specific mitigation measures to take and the legal requirement for non-discrimination.

Please accept Country Manager, the assurances of my highest consideration and esteem.

Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

Rt.Hon. Prime Minister, Office of the Prime Minister

Attorney General, Ministry of Justice and Constitutional Affairs

Hon. Minister of Finance Planning and Economic Development

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"

Hon. Minister of Education and Sports

Hon. Minister of Health

Hon. Minister of Gender Labour and Social Development

Hon. Minister of Energy and Mineral Development

The Principal Private Secretary to H.E. the President

Solicitor General, Ministry of Justice and Constitutional Affairs

The Director of Public Prosecutions

Telephone: 256 414707000/232095
Fax : 256 41 4233524
Email : finance@finance.go.ug
treasury@finance.go.ug
Website : www.finance.go.ug
Plot No. 2-8 Apollo Kaggwa Road
In any correspondence on
This subject please quote No.



Ministry of Finance, Planning &
Economic Development,
P.O. Box 8147
Kampala, Uganda

ALD 141/259/01 TC

21st September 2023

All Accounting Officers
All Ministries, Departments and Agencies
All Local Governments



UGANDA'S SOCIAL SAFEGUARD POLICIES

I am writing in reference to the above subject. Further reference is made to the Anti-Homosexuality Act, 2023 (AHA) that came into force on 30th May 2023.

Following the World Bank Group's concern with Uganda's enactment of the Anti-Homosexuality Act, 2023 and as communicated in the Budget Execution Circular of FY 2023/2024 on 18th July 2023, we guide that;

- All World Bank-financed projects must be implemented in a manner consistent with the principles of non-discrimination as provided under Article 21 of the Constitution of the Republic of Uganda. These projects should also be implemented in accordance with World Bank policies and applicable Legal Agreements.
- Under these projects, no person will be discriminated against or stigmatized and the principles of non-discrimination and inclusion will be adhered to. Support should be provided to all project beneficiaries.
- All implementing entities of World Bank projects will implement specific mitigation measures to address non-discrimination.
- These mitigation measures will require enhancing project grievance redress mechanisms as well as strengthening existing project monitoring by implementing entities including third-party monitoring where applicable.
- Each project implementing entity shall develop comprehensive guidelines to address non-discrimination.

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"

Specific Measures for High Risk Sectors

Health

- The Ministry of Health issued a circular on August 8, 2023 that guarantees access to health care services for all and prohibits the discrimination or stigmatization of any individual who seeks health care services on any grounds.
- The Ministry of Health will widely disseminate and socialize health sector guidelines for the effective implementation of the circular.
- Implementating entities should strengthen grievance redress mechanisms, and third-party monitoring systems in collaboration with national and international partners.

Education

- The Permanent Secretary in the Ministry of Education and Sports on 18th August 2023 issued a circular stating that the Ministry of Education and Sports does not permit any form of discrimination against any persons in the delivery of education services, programs and projects.
- In light of that circular, the Ministry should ensure that there is no discrimination (including any form of bullying) against teachers and students on any grounds.
- The Ministry of Education and Sports will prepare project specific guidelines to address non-discrimination.
- Implementating entities should strengthen grievance redress mechanisms, including an independent hotline and third-party monitoring systems where necessary.



Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

Rt. Hon. Prime Minister, Office of the Prime Minister

Attorney General, Ministry of Justice and Constitutional Affairs

Hon. Minister of Finance, Planning and Economic Development

Hon. Minister of Education and Sports

Hon. Minister of Health

Hon. Minister of Gender, Labour and Social Development

Hon. Minister of Energy and Mineral Development

The Principal Private Secretary to H.E. the President

The Solicitor General, Ministry of Justice and Constitutional Affairs

The Permanent Secretary, Ministry of Health

The Permanent Secretary, Ministry of Education and Sports

The Permanent Secretary, Ministry of Gender, Labour and Social Development

The Director of Public Prosecutions

Telephone: 256 41 4707000/221895
Fax : 256 41 4333524
Email : finance@uganda.gov.ug
summary@uganda.gov.ug
Website : www.uganda.gov.ug
Plot No. 2-8 Apollo Bugges Road
In any correspondence or
This subject please quote No.
BPD 86/179/01



Ministry of Finance, Planning &
Economic Development,
P.O. Box 8147
Kampala, Uganda

10th July, 2023

All Accounting Officers (Central Government, Missions Abroad, and Local Governments)

All Chief Executive Officers of State-Owned Enterprises and Public Corporations

THE BUDGET EXECUTION CIRCULAR (BEC) FOR FINANCIAL YEAR 2023/2024

A. INTRODUCTION

1. This Circular is issued in fulfilment of Article 155 (1) of the Constitution, and Sections 13 (5) and 14 (1) of the Public Finance Management Act, 2015 (Amended).
2. The theme for the FY 2023/2024 Budget has been retained as: ***"Full Monetization of the Ugandan Economy through Commercial Agriculture, Industrialization, Expanding and Broadening Services, Digital Transformation and Market Access"***. The Budget for FY 2023/2024 was approved to address the strategic mission of facilitating more Ugandans to join the money economy.
3. The purpose of this Circular is to communicate the following:
 - i. The FY 2023/2024 Annual Cash Flow Plan (**Annex 1**);
 - ii. The Policy, Operational and Administrative Guidelines for execution of the Budget in FY 2023/2024.
4. As you execute the Budget for FY 2023/2024, I urge all Accounting Officers to ensure that all program activities contribute towards addressing the following objectives:
 - i. Completion of public investments with higher multiplier effects on attainment of NDPIII and the NRM 2021-2026 Manifesto;
 - ii. Full-scale implementation of the Parish Development Model (PDM);
 - iii. Enhanced revenue mobilization and collection; and

Minister

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

- iv. Ensuring efficiency and effectiveness of Government through rationalization of public expenditure.
- 5. The key priorities to achieve the above objectives are detailed in the approved Budget for FY 2023/2024. For ease of reference, please follow the link <https://www.budget.finance.go.ug> to access the following key documents, among others:
 - i. The Budget Speech for FY 2023/2024;
 - ii. Approved Estimates of Revenue and Expenditure Volume I (Central Government Votes and Missions Abroad);
 - iii. Approved Estimates of Revenue and Expenditure Volume II (Local Governments); and
 - iv. Approved Estimates of Revenue and Expenditure Volume III for the State-Owned Enterprises and Public Corporations.

B. THE ANNUAL CASH FLOW PLAN FOR FY 2023/2024

- 6. In accordance with Section 36 (b) of the PFM Act 2015 (Amended), the Annual Cash Flow Plan for FY 2023/2024 has been generated off the Program Budgeting System (PBS) based on the quarterly projections in your respective Vote work plans for FY 2023/2024.
- 7. The purpose of the Cash Flow Plan is to guide and ensure that Government maintains sufficient liquidity to be able to sustain and make timely payments to meet service delivery requirements by aligning Vote cash inflows and outflows to your respective Program Implementation Action Plans (PIAPs).
- 8. In view of the above, and in line with Sections 15 and 21 (i) of the PFM Act, 2015 (Amended), all Accounting Officers are urged NOT to overcommit the vote budgets beyond the Annual Cash Flow Plan issued in this Circular. Furthermore, you should submit expenditure commitments, in line with the PIAPs, indicating the actual forecast commitments and the cash position of your respective Votes as per Section 16 (i) of the PFMA, 2015 (Amended) to inform decision-making on the subsequent quarterly expenditure releases.



C. POLICY DIRECTIVES, ADMINISTRATIVE AND OPERATIONAL GUIDELINES FOR IMPLEMENTATION OF THE BUDGET FOR FY 2023/2024

Policy Directives

9. The FY 2023/2024 Budget allocations directed resources to program areas meant for enhanced socio-economic transformation for all Ugandans through job and wealth creation, and increasing household incomes, by targeting the 39% of Ugandans still in the non-money economy. All Accounting Officers are urged to adhere to the following policy directives that guided the preparation of the Budget for FY 2023/24:
- i. Fund key Government priorities to increase the momentum in socio-economic transformation, for example: the standard-gauge railway, the meter-gauge railway, solar-powered irrigation, PDM, *Emyooga*, road maintenance, coffee value addition, vaccines and pharmaceutical manufacturing etc.;
 - ii. Support development initiatives that drive private sector growth;
 - iii. Implement only ongoing projects and other multi-year commitments as approved in the Budget;
 - iv. Halt new non-concessional projects, except those already provided for in the fiscal framework, or those with no direct or indirect claim on the Consolidated Fund;
 - v. Hold back any recruitment plans in FY 2023/2024 except on a replacement basis where the resources are already available;
 - vi. No travel abroad, except for critical positions of the Executive, Legislature, Judiciary, security, diplomatic relations and resource mobilization; and
 - vii. **NO** purchase of new vehicles except hospital ambulances, tailored vehicles for medical supplies/distribution, and for agricultural extension services, security and revenue mobilization.

Non-Discrimination

10. Accounting Officers should ensure that all projects (whether Government of Uganda or externally funded) are implemented within the provisions of Article 21 (1) and (2) of the Constitution and Section 13 (11) (e) (i-ii) of the Public Finance Management Act, 2015 (Amended). This emphasizes equality of all persons in access to all opportunities and benefits presented by the above projects, without prejudice and discrimination on the ground of sex, race,

color, ethnic origin, tribe, birth, creed or religion, social or economic standing, political opinion or disability.

Advertising by Ministries, Agencies and Local Governments

11. In his letter of Ref. No. PO/3 dated 6th March 2023, H.E. The President directed that in FY 2023/2024, **"all Government advertising must be through the Uganda Broadcasting Corporation. Any Accounting Officer who deviates from this will be sanctioned including dismissal"**. Print media advertising should be done through the New Vision. I therefore urge all Accounting Officers to strictly adhere to this directive.

Contracting in Ugandan Shillings versus Foreign Currencies

12. I have received numerous requests from a number of Ministries, Departments and Agencies (MDAs) to undertake contracts in foreign currency, especially in United States Dollars and Euros. In line with the fiscal and monetary policies agreed with Bank of Uganda, I wish to reiterate this Ministry's position that no procurements should be undertaken in foreign currency as previously communicated in FY 2016/17, FY 2017/18 and FY 2018/19. Contracting in the local currency, is meant to preserve the sanctity and value of the Shilling since the budget is appropriated in the local currency which is easily convertible.
13. Therefore, this is to guide all Accounting Officers as follows:
 - i. That all contracts for works, goods and services shall be awarded in Ugandan Shillings to hedge against cost overruns due to global forex rates fluctuations that impact on the stability of the Shilling; and
 - ii. All contracts, including those that follow international competitive bidding procedures, shall be quoted in Ugandan Shillings. The only exemption will be where it is clearly expressed in the financing agreements with Development Partners to use other currencies in the bidding process, if necessary. This should be strictly the exception and not the norm. I request the Honorable Attorney General's chambers to take note and enforce this guideline while approving agreements.



Telephone: General Lines: 256 - 417-712260
Permanent Secretary's Office: 256 -417- 712221
Toll Free 0800100066
E-mail : ps@health.go.ug
Website: www.health.go.ug
IN ANY CORRESPONDENCE ON



Ministry of Health
P. O. Box 7272
Plot 6, Lourdel Road
KAMPALA
UGANDA

THIS SUBJECT PLEASE QUOTE NO. **ADM:180/01**

THE REPUBLIC OF UGANDA

5th June 2023

Circular

All Hospital Directors, National and Regional Referral Hospitals
All District Health Officers
All Medical Superintendents
All Health Facility In-charges
Executive Directors of Implementing Partners
Executive Directors of Faith Based Medical Bureaus
The Executive Director Uganda Healthcare Federation

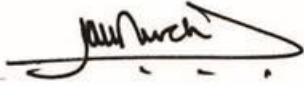
PROVISION OF SERVICES TO ALL PEOPLE WITHOUT DISCRIMINATION

The constitution of the republic of Uganda recognises that health is a fundamental right and guarantees access to health care services for all. The Ministry of Health is mandated to provide Preventive, Promotive, Curative and Rehabilitative Health Services to all people in Uganda in their diversity **without any form of discrimination**. Furthermore, all services should be provided in a manner that ensures **Safety, Privacy and Confidentiality to all clients that seek health services in all facilities, both Public and Private.**

The Ministry of Health therefore reminds all health care workers and stakeholders about the above National commitments, and reiterates the following;

- **Not to deny services to ANY client who present themselves for services.**
- **Not to discriminate or stigmatize any individual who seeks health care services, for any reason – gender, religion, tribe, economic status, social status or sexual orientation.**
- **Patient rights and ethical values – Confidentiality, Privacy, Patient Safety as stipulated in the Patient's Charter should be upheld each time a patient seeks health care services at your facility**

Your cooperation in this matter is of great importance to improving access to service delivery for all our people.



Dr. Henry G. Mwebesa
DIRECTOR GENERAL HEALTH SERVICES

cc. Hon. Minister of Health
Hon. Minister of State for Health (GD)
Hon. Minister of State for Health (PHC)
Permanent Secretary, Ministry of Health
All UN Agencies
PEPFAR Coordinator
Head Country Team Global Fund, Geneva
Country Manager, World Bank
Country Director – CDC, USAID, DOD
Director General, Uganda AIDS Commission
Directors, Ministry of Health
All Chief Administrative Officers
Registrars, Health Professional Councils

Telegram: "EDUCATION"
Telephone: +256-41-7893602
Fax: +56-41-4230437

In any correspondence on
this subject please quote: EPD 191/336/03



Ministry of Education and Sports
Embassy House
P.O. Box 7063
E-Mail: permasec@education.go.ug
Website: www.education.go.ug
Kampala, Uganda

18th August 2023

All Heads of Education Institutions

PROVISION OF EDUCATION SERVICES TO ALL PEOPLE WITHOUT DISCRIMINATION

The Government of Uganda recognizes the Constitutional social objective to ensure all Ugandans enjoy rights, opportunities and access to education. Under our education objectives, the State is obligated to promote free and compulsory basic education, afford every citizen equal opportunity to attain the highest educational standard possible, and facilitate individuals, religious bodies and other non-governmental organizations to found and operate educational institutions if they comply with the general educational policy of the country and maintain national standards.

The Ministry is implementing the Gender in Education Policy which provides for equitable access to education for all without discrimination. To operationalize the Policy a number of policy strategies and guidelines exist including the National Strategy of Elimination of Violence Against Children, the Life Skills Toolkit, manuals on growth and sexual maturation. In addition, the Ministry has incorporated Sexuality Education into the curriculum to ensure age-appropriate information to enable young people to maneuver through the different challenges of life.

The purpose of this Circular, therefore, is to reiterate Article 21 (1) of our constitution with states that "All persons are equal before and under the law in all spheres of political, economic, social and cultural life and in every other respect and shall enjoy equal protection of the law". The Ministry does not condone any forms of discrimination and exclusion of any persons, in delivery of education services, programs and projects.

You are, therefore, called upon to observe and ensure the above standards in the delivery of education services, programmes and projects.

Ketty Lamaro
PERMANENT SECRETARY

Cc: First Lady and Hon Minister of Education and Sports
Ministers of State, Education and Sports

Tel: Director + 256-0414-332504.

General +256-414-332500
+ 256-414-332501

Toll Free: 0800112300



Office of The Director of Public Prosecutions,
Workers House, 12th & 11th Floor
Plot 1, Pilkington Road,
P.O. Box 1550,
Kampala (Uganda)
admin@dpp.go.ug
www.dpp.go.ug

Our Ref: ADM 12/01
Your Ref:

Date: 25th August, 2023

CIRCULAR NO.18/2023

All Prosecutors,
Office of the Director of Public Prosecutions.

**RE: MANAGEMENT OF CASES WITH CHARGES PREFERRED UNDER THE
ANTI-HOMOSEXUALITY ACT 2023.**

The Anti-Homosexuality Act (AHA) came into force on 30th May 2023. It has come to the attention of management that a number of charges of Homosexuality and Aggravated Homosexuality are now being preferred by some officers without internalizing some crucial aspects of the act.

It is important to note that the AHA only criminalises offences where a sexual act has been performed. The term "*sexual act*" is defined under Section 1 of the Act.

It is also important to note that Sections 2 (5) and 3 (5) of the AHA provide that "*for the avoidance of doubt, a person who is alleged or suspected of being a homosexual, who has not committed a sexual act with another person of the same sex, does not commit the offence of homosexuality under this section*".

Officers are therefore advised to peruse files with offences under the AHA cautiously while taking into account the abovementioned provisions.

You are hereby directed to ensure that all files with charges preferred under the AHA should first be submitted to Headquarters with a written legal opinion for further guidance before a decision to charge is made.

Management will soon organize sensitization meetings for all officers on the key aspects of the AHA.

A handwritten signature in black ink, appearing to read 'JFABODO'.

Jane Frances ABODO
DIRECTOR OF PUBLIC PROSECUTIONS

APPENDIX 2: ENHANCED IMPLEMENTATION SUPPORT AND MONITORING ON NON-DISCRIMINATION

The World Bank and IFC have hired an international and credible entity (firm, agency) with a strong knowledge of the Ugandan context and a track record of enhanced third-party implementation support and performance monitoring to undertake the tasks described in this section for all projects presently being implemented in the Uganda portfolio. The entity is expected to work with NGO/CSOs and country-based development partners.

The Enhanced Implementation Support and Monitoring (EISM) will primarily focus on supporting project teams to implement mitigation measures to address grievances and concerns from beneficiaries, communities, and workers relating to discrimination from project benefits.

The objectives of the Enhanced Implementation Support and Monitoring include:

- Assisting project teams to enhance existing project-level grievance mechanisms and develop and operate an independent mechanism that would identify, manage, and monitor cases of discrimination.
- Assisting the WB in strengthening the capacity of PIUs, workers, and contractors, subcontractors, and service providers.
- Ensuring contracts, codes of conduct, hiring procedures, whistle-blower protection protocols, and other measures, as needed, are in place to allow remediation of cases of discrimination.
- Develop a strong data management system and process that secures personal data and information in a manner that is safe, ethical, and confidential.
- Where cases of discrimination are reported through the above mechanism, the EISM will report the grievances to the Bank, propose appropriate remediation, and follow up on agreed actions to resolve the cases.
- Support the WB/IFC to monitor the efficacy of the agreed measures to mitigate the impacts on WB/IFC financed operations.

Table 11 illustrates the enhanced implementation support and monitoring steps. Figure 8 contains the Enhanced Implementation Support and Monitoring process. Figure 9 contains Complaint Management for vulnerable or marginalized individuals or groups.

To provide enhanced implementation and monitoring support to the World Bank/IFC operations in Uganda the EISM will:

1.1 Establish an effective and confidential mechanism to receive, manage, refer, and monitor

grievances related to discrimination across the WB/IFC portfolio.

To do so the EISM will:

- **Enhance existing project-level grievance redress mechanisms** to safely, ethically, and coincidentally receive cases related to discrimination on World Bank/IFC financed operations and refer them to an appropriate grievance handling mechanism.
- **Design and operate a mechanism for receiving grievances** related to discrimination on WB/IFC financed operations (including from project level grievance mechanisms noted above).

- **Establish a hotline or an alternative complaint mechanism**, for individuals to lodge complaints of discrimination on WB/IFC financed projects or voice their concerns without fear of reprisal. The EISM is an alternative to lodging complaints through a GOU-led project-level GRMs

NOTE: The EISM firm has established a nationwide GRM hotline – 0800 333125, designed specifically to receive grievances or concerns from vulnerable or marginalised individuals or groups that may be discriminated against or excluded from benefiting from all World Bank and IFC financed projects due to policies that may result into risks of exclusion and discrimination of vulnerable or marginalized individuals and groups.. The hotline is hosted and operated by a local NGO. PIMPLUS II will also benefit from the same hotline.

Table 12: Enhanced Implementation Support and Monitoring Steps	
Act as a key first step in the referral process from project-level GRMs	
Designed specifically to handle complaints restricted to WB/IFC projects	
Step 1	Receives and document complaints of discrimination in accessing WB/IFC projects'
	benefits, services, and opportunities.
Step 2	Develops specific security protocols to ensure that communications are safe, ethical, and confidential.
Step 3	Establishes a data management system on an international server guaranteed by the provider as safe and secure encryption and privacy.
Step 4	Implements a data privacy and protection policy to include confidentiality clauses to be signed by all personnel entrusted with managing referrals or referral-related information.
Step 5	Handles complaints in a confidential, anonymous, and non-judgmental manner which is sensitive to local context and in local languages.
Step 6	Provides detailed monthly reports of complaints received to the WB/IFC

Step 7	Provides ad hoc incident reports of all allegations to WB/IFC within 48 hours of receipt.
Step 8	Reports grievances to the WB/IFC, proposes appropriate remediation, and follows up on agreed actions to resolve the case.
Step 9	Maps available services for vulnerable or marginalized individuals or groups including counselling, legal services, protection, and other services.
Step 10	Refers individuals to the appropriate local services or organizations as needed.
Step 11	Regularly evaluates the effectiveness of mitigation measures to determine whether and how well the mitigation measures are functioning.
Step 12	Recommends and supports the implementation of adjustments to mitigation measures based on regular evaluations and their impact.

1.2 Outreach and sensitization to project beneficiaries and communities involved with the World Bank/IFC Bank/IFC Portfolios.

Activities related to Outreach and sensitization to project beneficiaries and communities include:

- Assist the WB/IFC to prepare and implement a plan to disseminate information about the support provided by the entity including support to existent GRMs.
- Prepare community/beneficiary information materials on their rights within the Constitution of Uganda and World Bank/IFC policies informed by various official circulars issued by the GOU on non-discrimination and World Bank/IFC policies.
- Develop and implement a methodology to conduct periodic outreach to beneficiaries/communities to hold consultations on non-discrimination to identify issues and risks in a safe, ethical, and confidential manner.

1.3 Capacity strengthening and technical support

Activities related to capacity strengthening and technical support include:

- **Support to the WB/IFC on training of** government staff and private sector consultants/clients, workers, and contractors on non-discrimination by developing training materials, identifying venues, providing trainers, etc.
- **Support to the WB/IFC** with training project level GRMs on non-discrimination in World Bank and IFC financed Projects by developing training materials, identifying venues, providing trainers, etc.
- **Preparing training modules** for call center operators, data management personnel, and community outreach personnel on appropriate handling of sensitive information.
- **Providing technical support** to the GOU for the development of Guidelines on Nondiscrimination of Workers.

1.4 Monitoring and Evaluation

Activities related to monitoring and evaluation include:

- **Developing a system to regularly monitor WB/IFC projects for** 1) implementation of agreed GOU actions to mitigate the risk of discrimination on WB/ IFC projects, 2) incidents of discrimination on World WB/IFC financed projects.
- **Regularly evaluating the effectiveness of mitigation measures** to determine whether and how well the mitigation measures are functioning to improve WB/IFC awareness of incidents of discrimination on WB/IFC financed operations.
- **Recommending and supporting the implementation of adjustments to mitigation measures** based on regular evaluations and their impact.

The GOU and its PIUs remain responsible for the implementation of all project activities including supporting the WB/IFC to ensure the agreed measures on non-discrimination in the portfolio are implemented fully, ethically, safely, and to an appropriate standard of quality; and

to support the WB/IFC to enhance our awareness of cases of discrimination across the WB/IFC portfolio.

The GOU will facilitate the work of the Entity and collaborate as needed on all activities requiring their direct involvement, such as outreach and sensitization activities, capacity strengthening and technical support as well as the monitoring and evaluation of mitigation measures. The GOU will also ensure that the work under the EISM can be undertaken safely in accordance with existing circulars and their dissemination.

Figure 9: Description of Enhanced Implementation Support and Monitoring (EISM) Process

Description of Enhanced Implementation Support and Monitoring (EISM) Process

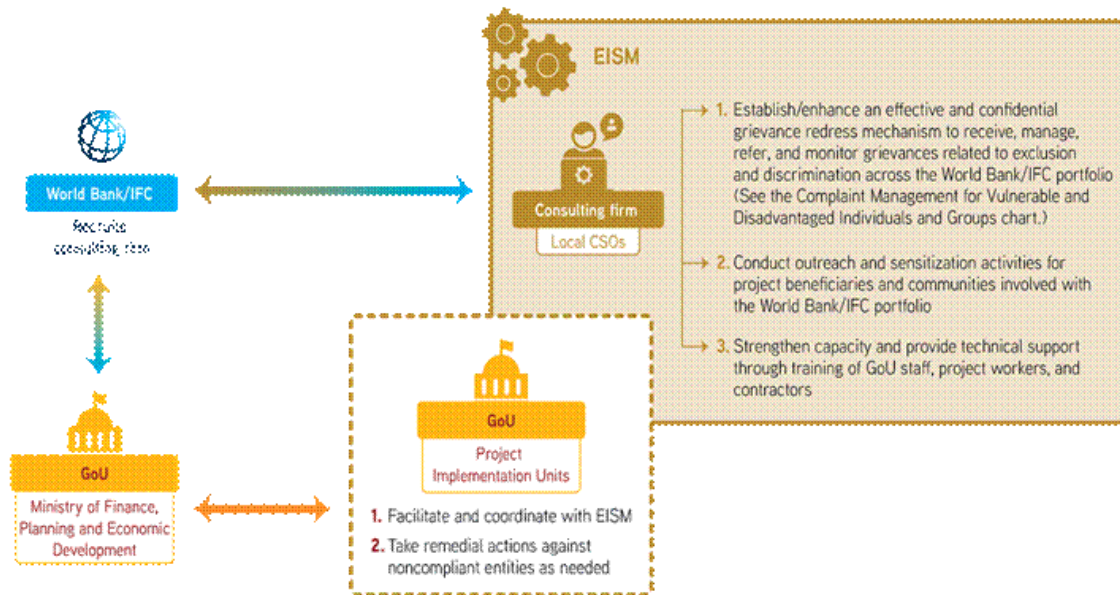
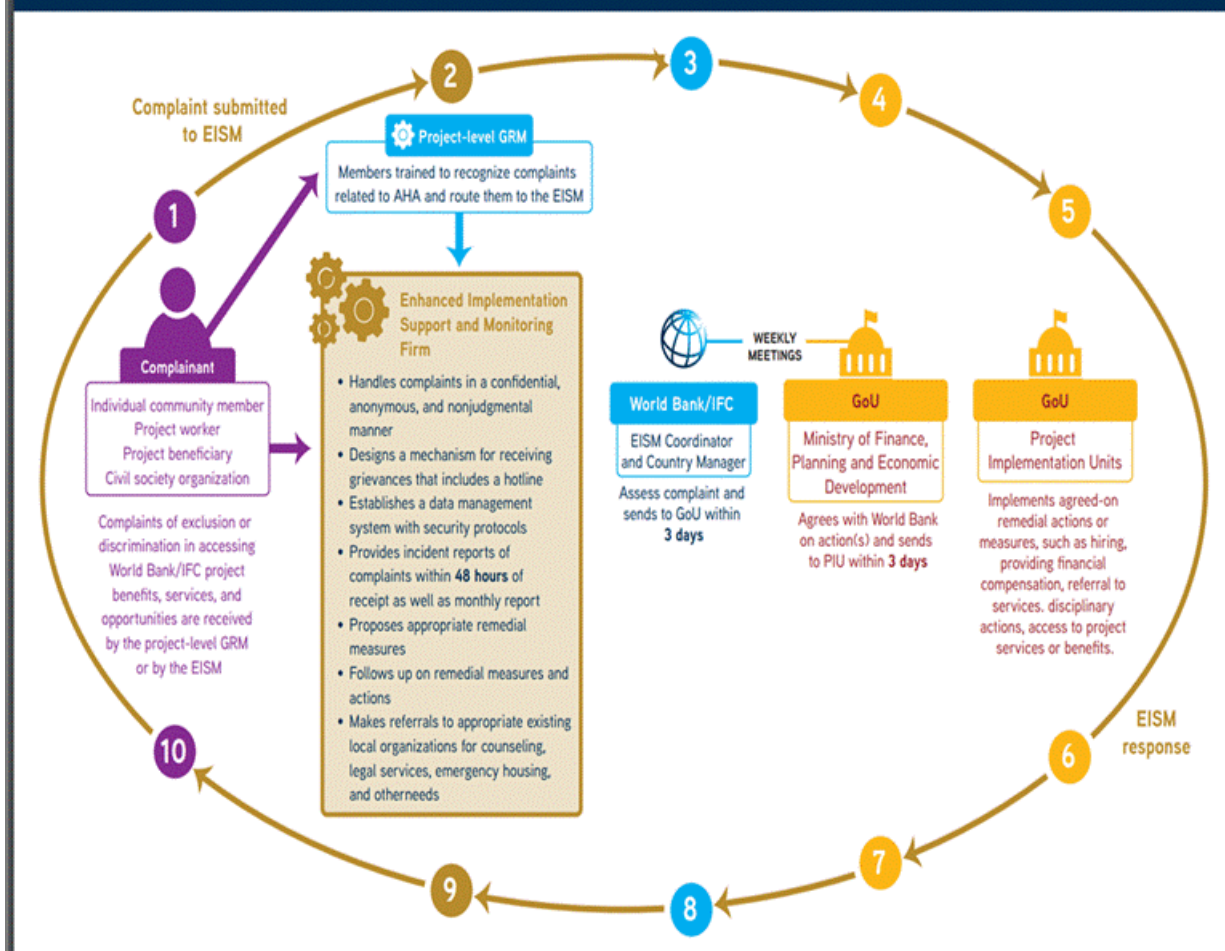


Figure 10: Complaint Management for Vulnerable and Disadvantaged Individuals or Groups

Complaint Management for Vulnerable and Disadvantaged Individuals and Groups Due to the Anti-Homosexuality Act



APPENDIX 3: GUIDELINES FOR IMPLEMENTING MITIGATION MEASURES TO ADDRESS AHA -RELATED RISK

In July 2024, following the enactment of the Anti-Homosexuality Act (AHA) of 2023, the Environmental and Social documentation and its Appendices including ESMF, VLD guideline, SEPs, POMS etc. for all ongoing projects in the Ugandan portfolio were updated to include specific measures to mitigate the risk of discrimination against or exclusion of any affected individuals and groups in providing or receiving benefits in World Bank-financed projects and Programs in Uganda. This ESSA for PIMPLUS includes such mitigation measures in various sections as appropriate.

The measures involve ensuring access to a project-level Grievance Redress Mechanism (GRM), establishing a dedicated hotline for receiving exclusion and discrimination-related complaints, requiring contract clauses and codes of conduct on non-discrimination, and training project workers and contractors and community outreach activities on Inclusion and Non-discrimination (IND).

Through a competitive process, the World Bank and International Finance Corporation (IFC) have contracted an international firm SREO Consulting Ltd. (SREO) to support the implementation of the mitigation measures. SREO will partner with local Civil Society Organizations (CSOs) and/or individuals with expertise and experience in inclusion and non-discrimination in Uganda.

The World Bank will support the Ugandan government in the rollout of the mitigation measures through Enhanced Implementation Support and Monitoring (EISM), targeting PIUs including the PIST for PIMPLUS contractors, subcontractors, frontline service providers, and local stakeholders, as required and set out in the environmental and social documentation.

This Appendix presents guidelines on how to implement the mitigation measures, including main steps and the roles and responsibilities of task teams, the Ugandan government, PIUs/PISTs, the World Bank, CSOs, SREO, and other stakeholders.

Steps for Implementing Mitigation Measures

Depending on the status of a particular project, the following steps may or may not be followed sequentially. One or more of the steps might not be relevant to a project, or it might be possible to accomplish two or more steps at the same time.

SREO and the relevant World Bank task team leader, social development specialist, and PIU/PIST should discuss and agree on the relevance and sequence of steps prior to their implementation.

1. Assess the Status of the Project

The approach, type, and level of effort will vary depending on a project's implementation status:

- **Ongoing projects.** Ongoing projects require retrofitting to include mitigation measures. Such projects should be considered high priority for monitoring because of the existing risk of discrimination.
- **Early-stage projects.** Projects at an early stage of implementation require retrofitting to include mitigation measures, but the need for monitoring is not as urgent as for ongoing projects. The priority level for early-stage projects will depend on the status of activities on the ground and whether or not a PIU and service providers are in place.
- **Closing and closed projects.** Projects that have closed since the enactment of the AHA or that will be closing in the next six months require a due diligence review to assess if there are any outstanding complaints or issues related to the discrimination of vulnerable or marginalized individuals or groups and if any remedial measures are needed.
The results of the due diligence should be incorporated into the standard environmental and social closure review unless it has been completed already. No further action is needed.
- **Pipeline projects.** A project that has not yet begun implementation provides the opportunity to integrate potential exclusion and discrimination risk mitigation measures and monitoring into its design.

PIMPLUS as a pipeline project has presented such an opportunity to integrate these mitigation measures and monitoring into its design.

2. Enhance Existing Project-Level Grievance Redress Mechanisms and Establish a Hotline

SREO will distribute a questionnaire to World Bank and PIU/PIST social development specialists to assess existing project-level GRMs. Based on a review of responses, it will recommend actions that the PIU/PIST or service providers can take to improve the GRMs.

With the support of SREO, the PIU/PIST and the social development specialist will revise the project GRMs to include effective, safe, ethical, and confidential referral pathways, ensuring that individuals or groups feel secure reporting incidents and that grievances are addressed quickly, efficiently, and appropriately.

SREO will provide training to GRM staff so they can recognize exclusion and discrimination-related complaints and route them to the EISM. The enhanced process will enable the PIU/PIST to identify complaints of exclusion or discrimination sent to the GRM and forward them to SREO within 48 hours of receipt.

Hotline on Discrimination and Exclusion

SREO has designed and operates a hotline (0800 333125) as an alternative way to receive complaints about the exclusion or discrimination of vulnerable or marginalized individuals or groups related to accessing benefits, services, or opportunities in World Bank/IFC operations. The design of the hotline will allow it to:

- Receive complaints in a confidential, anonymous, and nonjudgmental manner that is sensitive to local context and available in local languages.
- Compile detailed monthly reports of complaints.
- Advise complainants on remedial actions.
- Map available services for vulnerable or marginalized individuals or groups, including counseling, legal services, and protection.
- Refer individuals to appropriate local services or organizations.
- Implement a data privacy and protection policy that includes confidentiality clauses which must be signed by all personnel handling referrals
- Establish a data management system that guarantees safety through secure encryption and privacy protocols.
- Develop specific security protocols to ensure communications are safe, ethical, and confidential.
- Ensure all grievance mechanisms have appropriate whistle-blower protection protocols in place that enable safe reporting.

World Bank's Grievance Redress Service. In addition to the enhanced project-level GRM and the dedicated hotline, the World Bank has developed a specific window under its existing Grievance Redress Service (GRS) to manage complaints related to any World Bank project globally. A protocol has been developed to process all complaints related to exclusion or discrimination in the Uganda portfolio.

3. Conduct Outreach and Sensitization Activities

The World Bank team, PIUs/PISTs, and service providers should contact SREO to assist with:

- The preparation and implementation of a plan to disseminate information about existing GRMs and the dedicated hotline.
- The development and implementation of outreach activities on nondiscrimination delivered to beneficiaries and communities in a safe, ethical, and confidential manner.

4. Strengthen Capacity and Deliver Technical Support

The World Bank team, PIUs/PISTs, and service providers should contact SREO to assist with:

- Training workers, contractors, and project-level GRM staff on nondiscrimination and inclusion, including developing training materials, identifying venues, and hiring trainers.
- Delivering any other needed technical support related to the implementation of the mitigation measures.

SREO will prepare training modules for call center operators, data management personnel, and community outreach personnel on the appropriate handling of sensitive information given the potential risks of exclusion and discrimination of vulnerable or marginalized individuals and groups because of the project implementation.

5. Conduct Monitoring and Evaluation

Task team leaders, social development specialists, PIUs/PISTs, and service providers should contact SREO to:

- Support the monthly and quarterly monitoring and evaluation of the implementation of agreed measures and actions to mitigate the risk of exclusion and discrimination and to reduce incidents of discrimination or exclusion.
- Provide comments on regular evaluations of the effectiveness of mitigation measures.
- Offer feedback on recommendations and support the implementation of adjustments to mitigation measures based on their effectiveness.

6. Take Remedial Action

When a discrimination or exclusion complaint is reported to the dedicated hotline, the following process should be followed:

- SREO will report the grievance to the World Bank, propose appropriate remedial actions, and follow up on agreed actions to resolve the case.
- The World Bank's EISM coordinator and country manager will assess the complaint and then forward it to the Ministry of Finance, Planning and Economic Development. If the Ministry does not object to the World Bank's recommendations, they will be forwarded to the PIU/PIST.
- The PIU/PIST is responsible for implementing the agreed measures, which might include training and retraining, hiring, offering financial compensation, providing service referrals, taking disciplinary actions, and providing access to project services and benefits.

Roles and responsibilities for the Implementation of Mitigation Measures

The different steps presented are guidance on the how to do and the sequencing for the implementation of the mitigation measures bearing in mind that the sequencing can vary from one project to another, and activities done in parallel in some instances. Each Step identifies the roles and responsibilities of the GOU, PIU/PIST, WBG, CSOs and SREO. The roles and responsibilities are summarized in this section in table 13.

This section also provides more specific information on roles and responsibilities to implement the mitigation measures of the EISM firm RSEO and the PIUs/PIST. The mitigations measures identified in the Projects' environment and social instruments will be implemented by the GOU through the PIU/PIST with the support of the EISM firm RSEO hired by the World Bank with NGO/CSOs and country-based development partners in implementing these mitigation measures. SREO's specific responsibilities include:

- Helping project teams improve existing project-level grievance redress mechanisms, and developing and operating an independent mechanism to identify, manage, and monitor cases of discrimination.
- Developing a robust data management system and process that secures personal data and information safely, ethically, and confidentially.
- Working with the World Bank to strengthen the capacity of PIUs/PISTs, workers, contractors, subcontractors, and service providers.
- Ensuring that contracts, codes of conduct, hiring procedures, whistle-blower protections, and all other needed protocols are in place to remediate cases of discrimination.
- Supporting the World Bank in monitoring the efficacy of the agreed mitigation measures.
- Reporting complaints of discrimination to the World Bank, proposing appropriate remedial actions, and following up on agreed actions to resolve cases.

With the support of SREO, PIUs/PISTs are responsible for implementing mitigation measures as described in the environmental and social instruments, including:

- Developing training, sensitization, information, educational, and communication materials on the principle of nondiscrimination of individuals or groups who are vulnerable or marginalized.
- Conducting consultations on nondiscrimination with targeted external stakeholders, including NGOs, CSOs, local governments, and other stakeholders, as appropriate.

- Integrating clauses on nondiscrimination and codes of conduct on nondiscrimination into all project contracts, which must be signed by all contractors, subcontractors, and service provider staff.
- Reviewing all relevant policy and protocol documents, including those for human resources and whistleblower protections.
- Facilitating the monitoring of all measures to ensure their implementation, that all reported incidents are shared with the World Bank, and that they are addressed promptly.

Box 1: Roles and Responsibilities for the Implementation of Mitigation Measures

Government of Uganda

- Facilitating the implementation of mitigation measures under the leadership of the Ministry of Finance, Planning and Economic Development and through PIUs.
- Following up on reported cases of discrimination in coordination with the World Bank EISM coordinator and country manager.
- Achieving agreement with the World Bank on remedial actions and forwarding recommendations to PIUs.

Project Implementation Units/Project Implementation Support Teams

- Reviewing and enhancing project-level GRMs.
- Ensuring the implementation of mitigation measures.
- Facilitating capacity strengthening and community outreach efforts.
- Implementing agreed-on remedial actions and measures.

World Bank (task team leaders, social development specialists, and the EISM Coordinator)

- Supporting capacity strengthening and training sessions.
- Facilitating communication between SREO and the Ugandan government, SREO and task team leaders, and SREO and PIUs/PISTs.
- Overseeing the remediation of reported cases, makes recommendations, and follows up to ensure their resolution.

Civil Society Organizations

- Hired by the EISM firm (SREO) to coordinate the monitoring of activities in Uganda.
- Participate in capacity-building and outreach activities to disseminate information about the hotline and the GRS to relevant populations.
- Receive and manage referrals for issues outside the EISM's scope.

SREO Consulting Ltd.

- Establishes a dedicated hotline and assists PIUs/PISTs in improving existing GRMs.
- Conducts outreach and sensitization activities.
- Provides capacity-strengthening and technical support to PIUs/PISTs.
- Monitors and evaluates discrimination complaints.

APPENDIX 4: CONSULTATIONS GUIDING QUESTIONS

I) QUESTIONS FOR CONSULTATIONS WITH MDAS THAT IMPLEMENT PUBLIC INVESTMENT PROJECTS

- 1. Is there an E&S and/or Climate Change Unit?**
2. How does your MDA incorporate environmental, social, and climate change considerations into project planning and implementation (studies, designs, procurement/bidding documents/contracts, etc)?
3. How timely and adequate are environmental and social considerations integrated in the public investments (including what is done better and what requires improvement)?
4. What measures has the MDA put in place to ensure adherence to existing frameworks such as the environment act, regulations, DC Guidelines?
5. How do you track and environmental and social compliance during project implementation (frequency, resources, tools, etc)?
6. What are the biggest challenges your MDA faces in integrating E&S and CC, as well as complying national standards, and Guidelines (NEMA, DC Guidelines, etc)?
7. What recommendations would you make to strengthen E&S and CC integration and compliance?

II) INTERVIEW TOOL FOR PAP DEPARTMENT, MINISTRY OF FINANCE

1. Kindly highlight the Project appraisal process undertaken by the Development Committee (DC)
2. What mechanisms are in place to ensure that MDAs comply PIM process such as DC Guidelines?
3. How does the Development Committee ensure that projects meet environmental and climate resilience criteria before approval?
4. Have there been cases where projects were rejected due to inadequate environmental and social safeguards? If so, how was this handled?
5. How do you assess the level of awareness and understanding of the guidelines among key stakeholders?
6. For projects that require land take or where land has to be acquired, is there a prior consultation made with the Ministry of Lands Housing and Urban Development (MOLHUD) to inform costing of land and associated properties specifically the CGV for guide costing
7. What mechanisms are in place to track and monitor compliance with environmental, social, and climate resilience requirements during project implementation?

8. What challenges does the Department face in enforcing multi-sectoral collaboration in project implementation?

III) ASSESSMENT TOOL FOR POLICY AND REGULATORY ENTITIES (NEMA , MWE and MoGLSD)

1. How does NEMA/MWE/MoGLSD participate in the Project Profile, Pre-Feasibility, and Feasibility Study Stages of new projects?
2. How do you ensure that Environmental and Social Assessments (ESAs) are conducted thoroughly before project approval (quality of process) and integrated at all stages of the cycle?
3. What monitoring mechanisms do you have in place to track/monitor **environmental and climate change compliance** during project implementation?
4. What penalties or corrective measures are in place for projects that fail to implement environmental and social safeguards?
5. How do you engage with communities and stakeholders in monitoring environmental compliance?
6. What coordination mechanisms exist between your institution, MoFPED, and MDAs to ensure climate resilience is integrated into public investment projects?
7. What challenges do you face in supporting/enforcing environmental and climate-related requirements during project approvals?
8. What recommendations would you provide to strengthen the integration of climate change and environmental and social considerations in public investment management?

IV) GUIDING QUESTIONS ON THE MINISTRY OF LANDS, HOUSING, AND URBAN DEVELOPMENT'S ROLE IN IMPLEMENTING THE DC GUIDELINES

1. How does the Ministry of Lands, Housing, and Urban Development (MOLHUD) contribute to the appraisal and selection of projects, particularly in relation to land acquisition and resettlement planning?
2. How does MOLHUD ensure that Resettlement Action Plans (RAPs) are effectively incorporated into project feasibility studies?
3. What coordination mechanisms exist between MOLHUD, MoFPED, and other MDAs to ensure that land valuation and compensation are accurately integrated into project budgeting?
4. What challenges does MOLHUD face in supporting project implementation, particularly in securing land titles and resolving disputes related to project-affected persons (PAPs)?
5. How could these challenges/gaps be addressed for a more effective public investment project planning and implementation.

V) GUIDING QUESTIONS FOR CONSULTATIONS WITH CIVIL SOCIETY ORGANISATIONS

1. How is your organisation involved in Environmental, social and climate change aspects of public investment planning and implementation?
2. How can institutions such as NEMA, MoFPED, and local governments enhance their engagement with CSOs to strengthen environmental and social aspects in public investments?
3. What recommendations would civil society propose to improve the implementation of environmental, social, and climate change safeguards in the in the public investment management cycle?

APPENDIX 5: LIST OF STAKEHOLDRES CONSULTED

No.	Designation	Institution
1.	Manager Strategic Planning and Partnership	National Environment and Management Authority (NEMA)
2.	Principal Monitoring and Evaluation Officer	NEMA
3.	Commissioner	Ministry of Gender Labor and Social Development (MoGLSD)
4.	GHI	MoGLSD
5.	SSDO	MoGLSD
6.	SLO	MoGLSD
7.	SSAO	MoGLSD
8.	SDO	MoGLSD
9.	PGO	MoGLSD
10.	PLO	MoGLSD
11.	RPO	MoGLSD
12.	PAS	MoGLSD
13.	SSDO	MoGLSD
14.	Principal General Health Inspector	MoGLSD
15.	Principal Specialized Safety Inspector (Construction)	MoGLSD
16.	General Health Inspector	MoGLSD
17.	Principal Community Development Officer	MoGLSD
18.	Chairperson	Uganda Association of Impact Assessment (UAIA)
19.	Environmental Practitioner	UAIA
20.	Environmental Practitioner	UAIA
21.	Environmental Practitioner	UAIA
22.	Environmental Practitioner	UAIA
23.	Environmental Practitioner	UAIA
24.	Environmental Practitioner	UAIA
25.	Environmental Practitioner	UAIA
26.	Environmental Practitioner	UAIA
27.	Environmental Practitioner	UAIA
28.	Sociologist	UAIA
29.	Environmental Practitioner	UAIA
30.	Environmental Practitioner	UAIA
31.	Environmental Practitioner	UAIA
32.	Environmental Practitioner	UAIA
33.	Environmental Practitioner	UAIA

34.	Senior Environment Officer	Ministry of Energy and Mineral Development (MEMD)
35.	Land officer	MEMD
36.	Social Development Officer	MEMD
37.	Chief Government Valuer	Ministry of Lands Housing and Urban Development (MOLHUD)
38.	Deputy Chief Government Valuer	MOLHUD
39.	Senior Government Valuer	MOLHUD
40.	Manager Production, Trade and Tourism Planning	National Planning Authority (NPA)
41.	Environment	Environment Governance Institute (EGI)
42.	Agt Assistant Commissioner PAP Department	Ministry of Finance Planning and Economic Development (MoFPED)
43.	Senior Economist PAP Department	MoFPED
44.	PAP Department	MoFPED
45.	Coordinator	MoFPED-REAP
46.	AC/AMD	MoFPED-AMU
47.	SPO/AMD	MoFPED-AMU
48.	PPO/AMD	MoFPED-AMU
49.	ACCT/AMD	MoFPED-AMU
51.	Team Leader-Nature, Climate, Energy and Resilience (NCER)	United Nations Development Program (UNDP)
52.	BIOFIN Coordinator	UNDP
53.	Head Department Department of Environment	Makerere University
54.	Senior Lecturer	Makerere University
55.	Staff	ACODE
56.	Senior Environmental Officer	Ministry of Works and Transport (MoWT)
57.	Senior Sociologist	MoWT
58.	Senior Social Environment Officer	MoWT
59.	Senior Social Environment Officer	Ministry of Water and Environment (MWE)
60.	Assistant Commissioner	MWE
61.	Principal Specialist	Office of Attorney General (OAG)
62.	Principal Specialist	OAG
63.	Asst Director	OAG
64.	Senior Principal Auditor	OAG
65.	Social Development Specialist	Uganda Infrastructure Fiscal Transfer Program (UgIFT)
66.	Environmental Specialist	UgIFT

APPENDIX 6: ACTIVITIES EXCLUDED UNDER THE PROGRAM

The P for R operation - as decided during the Decision Meeting was considered to be of Moderate environment and social risk. Discussions post Decision Meeting with the team and RSA continued and the team agreed to move this to Substantial risk to allow government more room to undertake scalable activities. The program shall support activities of substantial E&S risk and exclude all activities screen as environmentally or socially High risk.

Screening

Infrastructure activities under the P for R DLI 10 including incentivized activities towards road maintenance within the program shall be screened to determine their eligibility to be supported by the P for R operation. A standard screening process shall be developed to the satisfaction of the World Bank prior to any support being provided under DLI to infrastructure activities. Activities including incentivized activities screen as high risk shall not be eligible under the program.

Review of activities environmental and social performance

Activities under DLI 10 considered eligible to be supported as of substantial environmental or social risk under the P for R shall be reviewed by the borrower to assess their environmental and social performance in line with Uganda' relevant environment and social requirements and applicable provisions of the Program Action Plan (PAP).

Exclusion List

- i. Infrastructure that is not considered of substantial nature because of its potential environmental or social impacts.
- ii. Grading and graveling of roads or maintenance activities that require significant use of heavy machinery and screened as high-risk activity.
- iii. Activities that are judged to be likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or people
- iv. Activities involving large-scale flood control systems such as dams or large dikes and sanitary landfills.
- v. Activities that would significantly convert natural habitats or alter potentially important biodiversity and/or cultural resource areas.
- vi. Forced Displacement without following due process and not provide timely and adequate Resettlement compensation.
- vii. Large scale land acquisition of high-risk nature which requiring large resettlement activities and have legacy issues.
- viii. New roads that require completely new land acquisition and resettlement.
- ix. Areas with other complexities such as existing conflicts, varied form of informal occupancy, overlapping claims, community rights. Etc.

- x. Activities likely to adversely create or exacerbate conflict within communities and significant adverse impacts on communities and sensitive receptors.
- xi. Activities that would trigger high risk impacts as prescribed under the World Bank's risks classification for IPF financing.
- xii. Activities that would cause or amplify workplace conditions that expose workers to significant occupational health and safety risks.
- xiii. Cause large-scale changes to land-use or access to land and/or natural resources.
- xiv. Adverse E&S impacts covering large geographical areas, including transboundary impacts of global impacts such as greenhouse gas (GHG) emissions.
- xv. Activities and policies that involve (or promote) the use of forced or child labor.
- xvi. Policies and programs that promote marginalization and exclusion through selection bias resulting in exacerbating excluded social groups.
- xvii. Activities that are likely to induce conditions for sexual exploitation and abuse of program beneficiaries and downstream gender-based violence.
- xviii. Endanger the material structure of cultural identity, heritage and/or ceremonial, or spiritual aspects of the affected communities.
- xix. Activities that discriminate against vulnerable or marginalized individuals or groups

APPENDIX 7: LEGAL AND POLICY FRAMEWORK FOR ENVIRONMENT MANAGEMENT

#	Legislation	Provisions
1	The Constitution of Uganda (1995)	The Constitution imposes obligations on the Government to promote sustainable development and environmental protection. It mandates Parliament to enact laws for environmental protection, pollution control, and sustainable management. Key articles emphasize the protection of natural resources and the right to a clean and healthy environment.
2	National Environment Act, Cap 181	This Act provides a comprehensive legal framework for integrating environmental sustainability into projects throughout their lifecycle. It mandates EIAs for projects likely to have significant environmental impacts and requires developers to establish Environmental Management Systems (EMS) and conduct regular environmental audits. The Act emphasizes public participation in environmental decision-making processes and guarantees the public's right to access environmental information.
3	Water Act, Cap 152	The Water Act provides a framework for the use, protection, and management of water resources. It emphasizes pollution control, safe water storage, and the regulation of waste discharge into water bodies. The Act includes provisions for community involvement in water management and the compensation of landowners affected by water-related works.
4	National Forestry and Tree Planting Act (2003)	This Act promotes the conservation and sustainable management of forests, requiring EIAs for projects impacting forests and establishing a Tree Fund to support tree planting efforts. It outlines licensing procedures for forest produce activities and specifies penalties for unauthorized activities.
5	Uganda Wildlife Act Cap 200	The 2019 Act, amended in 2024, aims to conserve and sustainably manage wildlife, mandating EIAs for projects with potential significant effects on wildlife. It addresses the management of problem animals, international trade in wildlife species, and the administration of the Wildlife Fund.
	The National Climate Change Act, 2021	The Act establishes a legal framework to address climate change by aligning with global agreements like the UN Framework Convention, the Kyoto Protocol, and the Paris Agreement. It mandates the development of a Framework

		Strategy, National Climate Change Action Plan, and district-level plans to guide climate resilience and mitigation. It emphasizes reducing greenhouse gas emissions, enhancing carbon sinks, and ensuring resilience through adaptation measures. Provisions for climate finance, education, stakeholder engagement, and public awareness are central to its approach. Additionally, it integrates climate considerations into development plans, enforces compliance mechanisms, and promotes international cooperation.
	Occupational Safety and Health Act Cap 231	This Act ensures the safety and health of workers, requiring employers to maintain safe working environments and monitor the release of dangerous substances. It mandates the establishment of safety committees and the provision of adequate sanitary conveniences and protective equipment.
	Public Health Act Cap 310 and Public Health (Amendment) Act (2023)	These Acts mandate comprehensive measures for disease prevention and control, addressing sanitation, housing, sewerage, drainage, mosquito control, and food safety. They grant powers to local authorities and the Minister to enforce public health measures.
	National Planning Authority Act (2002)	The Act establishes the National Planning Authority (NPA) responsible for producing comprehensive and integrated development plans for Uganda. The NPA coordinates development planning, monitors and evaluates development Programs, and advises the President on development policies and strategies.
	Regulations and guidelines	Under these Acts and especially NEA, several regulations have been made and effected, The National Environment (Environmental and Social Assessment) Regulations (2020); The Strategic Environment Assessment (SEA) guidelines (2020); The National Environment (Noise Standards and Control) Regulations (2003); The National Environment (Management of Ozone Depleting Substances and Products) Regulations (2001); The National Environment (Waste Management) Regulations (2020); The National Environment (Minimum Standards for Management of Soil Quality) Regulations (2001); The National Environment (standards for discharge of effluent into water or land) regulations (2020); The National Environment (Wetlands, Riverbanks and Lake Shores

		<p>Management) Regulations (2000); National Environment (Audit) Regulations (2020); National Environment (Conduct and Certification of Environmental Practitioners) Regulations (2003); Water (Waste Discharge) Regulations (No. 32 of 1998); Employment (Sexual Harassment) Regulations, 2012 (S.I. 2012 No. 15). National Environmental (Oil Spill Prevention, Preparedness and Response Regulations), 2020. There are also Environmental Impact Assessment (EIA) Guidelines (1997) which require update to align with the laws and regulations.</p>
--	--	--

APPENDIX 8: LEGAL AND POLICY FRAMEWORK FOR SOCIAL MANAGEMENT

No.	Policy	Provisions
1	The National Land Policy, 2013	The ensure efficient, equitable and sustainable utilization and management of Uganda's land and land-based resources for poverty reduction, wealth creation and overall socio-economic development".
2	The Land Use Policy, 2004	The National Land Use Policy, 2004, aims to achieve sustainable and equitable socio-economic development in Uganda through effective land utilization. It promotes sustainable natural resource use, environmentally friendly and well-planned human settlements, and the reversal of adverse environmental effects at all levels. The policy emphasizes the need for planned development while ensuring social and environmental protection..
3	National Gender Policy, 2007	The National Gender Policy, 2007 serves as a guiding framework for integrating gender perspectives into development planning, resource allocation, and implementation in Uganda. It addresses gender inequalities across all levels of government and among stakeholders, promoting awareness of gender as a development priority, influencing Programs to tackle gender issues, and fostering partnerships to advance gender equality, women's empowerment, and activism.
4	Child Labour Policy, 2006	The Child Labour Policy, 2006 prohibits the employment of children, recognizing their vulnerability to exploitation and workplace accidents. It defines child labour as work that is dangerous to children's mental, physical, social, or moral well-being, or activities that disrupt their education. Hazardous work, which jeopardizes a child's health, safety, and morals, is also strictly forbidden under this policy.
5	National Policy on HIV/AIDS and World of Work, 2007	The National Policy on HIV/AIDS and the World of Work, 2007 emphasizes openness and integrates HIV/AIDS responses into all sectors and Programs in

		Uganda. It establishes principles and a framework for addressing HIV/AIDS in the workplace, guiding the development of policies to tackle specific workplace-related challenges and ensure an effective national response.
6	The National Policy on the Elimination of Gender Based Violence, 2016	The policy calls for concerted efforts and the active participation of all stakeholders in eliminating GBV from the Ugandan society. Further, the Employment Act defines sexual harassment in employment and requires employers to put in place measures to prevent sexual harassment.
7	National Disaster Preparedness and Management Policy, 2010	The policy provides a framework that details mechanisms and structures for the effective and practical management of disasters. The policy covers the broad subjects of vulnerability assessment, mitigation, preparedness, response, and recovery, which constitute “comprehensive disaster management”. It networks all the lead sectors, local governments, international development and humanitarian partners, the private sector and the NGOs under the principle of a multi-disciplinary and multi-skilled consultative approach. It also presents an institutional framework under which the partners coordinate their operations.
	Legal	
8	Land Act, Cap 236	The Land Act addresses key aspects of land management, including holding, control, and disputes. It aligns with the Constitution by vesting land ownership in Ugandan citizens under various tenure systems—customary, freehold, Mailo, and leasehold. The Act permits compulsory acquisition of land for public works and emphasizes the government's statutory power in this regard. Additionally, it mandates landowners to manage and utilize land in compliance with regulatory land use planning, ensuring orderly development and adherence to legal standards.

9	The Land (Amendment) Act, Cap 236	The Land (Amendment) Act, Cap 236 grants jurisdiction to District Land Tribunals (DLTs) to resolve disputes related to land matters such as grants, leases, repossession, transfers, or acquisitions. This provision ensures that land acquisition issues are addressed effectively, requiring project proponents to collabourate closely with District Local Governments (DLGs) in resolving any related challenges.
10	The Land Acquisition Act, 235	The Land Acquisition Act makes provisions for the procedures and method of compulsory acquisition of land for public purposes whether for temporary or permanent use. The Minister responsible for land may authorize any person to enter upon the land and survey the land, dig, or bore the subsoil or any other thing necessary for ascertaining whether the land is suitable for a public purpose. The GoU is mandated to pay compensation to any person who suffers damage because of any action related to land acquisition for public purposes. Any dispute as to the compensation payable ishas to be referred to the Attorney General or court for a decision.
11	The Local Government Act, Cap 243	The Local Government Act, 1997 (Cap 243) establishes a decentralized system of governance through Local Governments (LGs), with District Councils holding legislative and executive powers. These councils are responsible for land administration, including land surveying, physical planning, and managing municipal resources. They acquire land for development purposes, sensitize local communities, and resolve disputes forwarded from lower LGs. The Act also empowers District Local Governments (DLGs) to set and implement district rates for compensating crops and non-permanent structures.
12	National Physical Planning Act, Amended 2020	The National Physical Planning Act, amended 2020, designates the entire country as a planning area, emphasizing the need for comprehensive and coordinated physical development. The Act establishes the National Physical Planning Board, which is tasked with approving physical development plans and

		decisions related to land use changes across the country.
13	Local Council Courts Act, 2006	The Act establishes Local Council (LC) Courts for the administration of justice at the local level; and defines the jurisdiction, powers, and procedures of the established courts and for other related matters. The legal jurisdiction of LC Courts includes matters related to land disputes, domestic violence, children related cases, assaults and battery, conversion, damage to property, trespass, and adultery.
14	Equal Opportunities Act, 2007	The Equal Opportunities Act, 2007 establishes the Equal Opportunities Commission to eliminate discrimination and inequality based on factors like sex, age, race, ethnicity, religion, health status, disability, and more. It mandates affirmative action to support marginalized groups and address historical, cultural, and traditional imbalances, ensuring fairness and inclusiveness for all citizens.
15	The Children Act, 2000 Cap 62	The Children Act, 2000 Cap 62, safeguards children from discrimination, violence, abuse, and neglect, emphasizing their right to protection. It prohibits child employment in activities harmful to their health, education, or development. The Act also ensures support for children with disabilities, mandating parents and the State to assess their needs early, provide treatment, rehabilitation, and equal access to education.
16	National Council for Disability Act, 2003	The National Council for Disability Act, 2003 establishes the National Council for Disability to promote equal opportunities for Persons with Disabilities (PWD). It aims to ensure their inclusion by monitoring and evaluating policies and Programs designed to achieve equality and full participation in society.
17	Access to Information Act, 2005	The Access to Information Act, 2005 grants citizens the constitutional right to access information and records held by the State or public bodies. It outlines the types

		of accessible information, procedures for obtaining it, and restrictions to protect State security, sovereignty, or individual privacy.
18	Workers Compensation Act, 2000 Cap 225	The Workers Compensation Act, 2000 Cap 225 ensures compensation for workers or their dependents in cases of work-related injuries, scheduled diseases, or deaths. It requires certification from a medical practitioner for claims and covers incidents occurring within 24 months of the disablement or death. The Act also mandates the provision of Personal Protective Equipment (PPE) to minimize workplace risks and protect employees.
19	Employment Act, 2006	<p>The Employment Act is crucial for infrastructure projects as it ensures fair treatment, safety, and the welfare of workers. It prohibits forced labour, discrimination, and harassment, mandates compliance with health and safety standards, and guarantees workers' rights such as rest periods, leave, and sick pay. Additionally, it supports workforce continuity in seasonal or phased projects, promoting harmonious relations between employers and employees for successful execution.</p> <p>The ESSA identifies several key strengths, including a robust legal and policy framework for environmental and social management, the presence of dedicated institutions such as NEMA and MoGLSD, decentralised local governments and the integration of environmental and social considerations into project planning and implementation.</p>

APPENDIX 9: INSTITUTIONS WITH MANDATE/ RESPONSIBILITY FOR ENVIRONMENTAL AND SOCIAL MANAGEMENT

National Environment Management Authority

Established under the National Environment Act, NEMA is responsible for coordinating, monitoring, and supervising environmental conservation activities. It oversees the conduct of ESIA's, reviews and approves environmental and social impact statements, and works with local governments to enforce compliance.

Ministry of Water and Environment

MWE oversees the development, management, and regulation of Uganda's water and environment resources. It handles environmental policy regulation, inspection, supervision, ecosystem restoration, and climate change mitigation and adaptation.

Department of Occupational Safety and Health (DOSH)

Under the Ministry of Gender, Labour and Social Development (MoGLSD), DOSH ensures compliance with the Occupational Safety and Health Act. It inspects workplaces, certifies statutory equipment, and reviews EIAs for safety and health standard compliance.

Public Procurement and Disposal of Public Assets Authority (PPDA)

PPDA is the principal regulatory body for public procurement and disposal of public assets. It released an enhanced Standard Bidding Document (SBD) to strengthen the management of environmental and social aspects in the procurement process.

National Planning Authority (NPA)

NPA is responsible for national development planning, formulating and implementing development plans, and monitoring and evaluating these plans to ensure alignment with Uganda's long-term vision, Vision 2040.

The Ministry of Finance, Planning, and Economic Development (MoFPED)

MoFPED mandated by the 1995 Constitution and related laws to coordinate development planning, mobilize public resources, and ensure accountability for their use. It also oversees the selection, appraisal, and preparation of public investment projects, ensuring MDAs maintain accountability for environmental and social management throughout project cycles, from planning to feasibility studies. Specifically, MoFPED works with government agencies and international partners through preparation and planning to improve access to essential services, including healthcare, education, and social welfare Programs.

The Ministry of Lands, Housing, and Urban Development (MoLHUD)

MoLHUD ensures rational, sustainable, and effective use and management of land; orderly development of urban and rural areas; and safe, planned, and adequate housing for socio-economic development. It provides policy, oversight, and technical guidance on land acquisition, advises the government on land-related matters, oversees land valuation and compensation through the Chief Government Valuer, and works in concert with the Uganda Land Commission which holds and manages government-acquired land supporting the Uganda Land Commission any land in Uganda vested in or acquired by the Government of Uganda in accordance with the provisions of the Constitution and any other functions as may be prescribed by Parliament.. MoLHUD also supervises land-related issues and operates 13 zonal land offices.

Office of the Chief Government Valuer (CGV), a department in MoLHUD is responsible for compensation issues in terms of clearing resettlement packages for the project affected people based on the current policy, legal and regulatory framework for land acquisition.

The Ministry of Gender, Labour and Social Development (MoGLSD)

MoGLSD has a mandate to mobilize and empower communities to harness their potential while protecting the rights of vulnerable population groups. The Ministry promotes issues of labour productivity and employment, social protection, gender equality and equity, human rights, culture, and empowerment. This ministry sets policy direction and monitoring functions related to labour, gender and general social development. Its OSH Department in the ministry is responsible for inspection and mentoring of occupational safety in workplaces and this could be during project construction and operation of the Project facilities. MoGLSD is mandated to review the social aspects of ESIA as a lead agency defined under the Environment Act and ESA regulations. However, MoGLSD has no independent budget or dedicated funds for this function. In practice the DOSH is the only entity within MoGLSD that reviews ESIA and even then, only sporadically. As such, due to a combination of under resourcing and competing priorities that impede adequate staffing in these areas, the social impacts of development projects in Uganda are not frequently assessed (except for OSH measures). The Ministry has also prepared GRM guidelines that should be disseminated to all implementing LGs and RHDs, trained and monitored.

Ministry of Local Government (MoLG)

Ministry of Local Government (MoLG) is mandated Central Government Ministries and other institutions and to research and develop national policies on all taxes, fees, etc, for LGs to guide, harmonize, mentor and advocate for all Local Governments in support of Government's vision of bringing about socio-economic transformation of the country. Specifically, it helps to promote Local Economic Development (LED) as the fifth pillar of decentralization, in support of wealth creation at the household level, with the view to raising taxable incomes and reducing dependency.

Office of the Auditor General (OAG)

The Office of the Auditor General (OAG) in Uganda is the Supreme Audit Institution (SAI) of the country. The mandate of the Auditor General is set out in the Constitution of the Republic of Uganda (1995) under Article 163. OAG conducts environmental audits to assess the environmental impact of projects and ensure compliance with environmental laws and regulations. This includes evaluating the effectiveness of environmental management systems and practices in place. It also performs social audits to examine the social impacts of projects. This involves assessing how projects affect local communities, including issues related to land acquisition, resettlement, and the well-being of Project Affected Persons (PAPs).

APPENDIX 10: ESSA VALIDATION WORKSHOP PARTICIPANTS

No.	Name	MDA	Role/Department
1	Emmanuel Mugabi	MoFPED	Senior Planning, Monitoring & Evaluation Officer - REAP.
2	Annette Kyakuwa	MoFPED	PO/ PMIS
3	Alice Nantaba Mubiru	MoFPED	Head- Gender& Equity Budgeting Unit
4	Richard Tabaro	MoFPED	Assistant Commissioner, Asset Management Department
5	John Baptist Lusala	MoFPED	Environmental Specialist
6	Pamela Batenga	MoFPED	Social Development Specialist
7	Philliphs Sagal Acumen	MoWT	Senior Sociologist
8	Carolyn Natuhwera	MoWT	Senior Environmental Officer
9	Derick Ndobe	MWE	Social Development Officer
10	Stephen Opio	MWE	SCCO
11	Joan Birungi	MWE	Environmental Health Officer
12	Innocent Tushabe	MGLSD	SWIDO
13	Angela Nakafeero	MGLSD	Commissioner, Gender and Women Affairs
14	Benard Mujuni	MGLSD	Commissioner
15	Ruth Nagaddya	MGLSD	SSDO
16	Micheal Tengeka	MGLSD	General Health Inspector
17	Remegio Kambesize	MGLSD	PA
18	Alex Ogwal	MGLSD	PGHI
19	Shallon Niwamanya	MEMD	Senior Environment Officer
20	Kevin Katalemwa	MEMD	Way Leaves Officer
21	Brenda Namukasa	MOJCA	Senior State Attorney
22	Benon Okumu	MOLHUD	Deputy Chief Government Valuer
23	Isaac Kinalwa	MOLHUD	SGV
24	Mark Kabiru	NPA	P.PDIP
25	Abbey M. Wadembere	NPA	Planner Environment and Social Impact Assessment
26	Naomi Rhodha Tusingwire	NPA	APO
27	Godwin Kamugisha	NEMA	Manager Strategic Planning and Partnership
28	Aiden M. Wadembere	NEMA	SPESA
29	Nickson Ahimbisibwe	NEMA	PMEO
30	JohnMary Ssekate	NASW-Uganda	Member /mobiliser
31	Edgar Mugisha	Atacama	Environmental Practitioner
32	Monique Akullo	UNDP	BIOFIN Coordinator
33	John Peter Okwi	EGI	Programs Cordinator
34	Peter Kayizzi L.	NCDC	Quality Assurance Officer
35	Danson Asiimwe	UAIA	Chairperson
36	Teopista Gateese	Luwero DLG	DNRO
37	Godwin Asiku	UAIA	Environmental Practitioner

No.	Name	MDA	Role/Department
World Bank			
1	Barbara K. Magezi Ndamira		TTL and Senior Public Sector Specialist
2	Maliyam Acio		Social Development Specialist
3	Christine Kasedde		Senior Environmental Specialist
4	Santiago Estanislao Olmos		Senior Social Development Specialist
5	Margarita Puerto Gomez		Senior Social Development Specialist
7	Diana Rose Kibenge		Team Assistant
8	Peter Leonard		Consultant
9	Fiona Malvina Davies		Consultant
10	Constance Nekessa-Ouma		Consultant
11	Richard Osaliya		Consultant
12	Pamela Kwolekwa		Consultant

APPENDIX 11: LIST OF KEY ISSUES AND RECOMMENDATIONS FROM THE ESSA REPORT VALIDATION WORKSHOP

- Include professional bodies and workers in capacity building activities.
- MGLSD's PS appointed a SRM coordinator to support this process.
- OSH Act Amendment was ascended. There is a process to update OHS guidelines and regulations that should be considered under SRM guidelines.
- MGLSD is also developing equity guidelines to support affected communities in/around natural resources areas.
- There is a gap regarding roles and responsibilities on OSH between Environment and Social Safeguards Specialists in MDAs that should be clarified.
- Labour officers at the district level lack of capacity to supervise and address OSH issues.
- This Program should support NEMA on social safeguards enforcement and hire social development specialists. Overall, there is a deficit of social safeguards specialists across Ministries and Agencies.
- Schedule 4, part 2 of the National Environment Act, Cap 181 has projects for which Project Briefs are to be submitted to Lead Agencies however it has not been operationalised by NEMA. These schedules need to be operationalised with guidelines to the Lead Agencies.
- NEMA works in consultation with Lead Agencies including the Ministry of Gender, Labour and Social Development in line with the National Environment Act Cap 181
- There is need to strengthen the body of environmental practitioners' and environment management professionals in general. In this regard the practitioners, and the broader actors in the environment practice. To this effect Uganda Association for Impact Assessment Bill 2024 has been reviewed by the Legal Committee and is due for consideration for the Order Paper for first reading, The report should provide a list of policy reforms and guidelines and prioritize which reforms should be supported, including low hanging fruits.
- There is a need to harmonize existing guidelines not only update and disseminate since there is a lot of confusion among different laws and regulations.
- The Ministry of Lands informed that a valuation bill is in parliament for a second review which is critical to expedite land acquisition process, improve inspections, valuation reports, and composition of valuation committees. It also mentioned the importance of improving the land evaluation management information system to have a complete database for land acquisition and promote support from private sector and external valuers to produce valuation reports.
- The Program design should be clear about the role of NPA and the Ministry of Land, Housing and Urban Development with regards to preparation of physical plans, as the meaning of "Ministry is Consulted by NPA" needs be clarified for smooth implementation, as the Ministry is a key mandate.
- Work with KCCA that is conducting a valuation of public assets and infrastructure.
- Prioritize social risks. Stakeholders' engagement is a critical area that requires standards and enforcements.
- Engagement and capacity building of District personnel, professional workers, engineers, district actors is essential, providing small instruments to the authorities. Schedules should be reviewed and monitored.
- The Program must develop a clear sustainability plan. What happens after PIM PLUS?
- Identify skills gaps to conduct ESIA's and build this capacity across ministries and agencies.
- Knowledge management is key for ESIA and should be considered as a project activity.
- Design realistic indicators.
- Can the Program support public private partnerships?
- It is important to create a working group under PIM Plus that facilitates continuous coordination, collaboration and sharing of experience among agencies.
- There is need to address the lack of E&S Knowledge management.
- The Ministry of Water and Environment requested a clear role in the implementation of DLs.
- There is need for a tool to determine and asset meets sustainability criteria and labels assigned.
- The Police and the Department of OSH have have clear legal roles with regard to safety incidents, there is need to understand the boundaries.
- There is a proposed Building Substances Bill, which will help regulate construction material extraction activities that are impacting the environment.
- Different MDAs/actors being at different stages on E&S management, implementors should have EMS in place, and have government agencies adopt related good international industry practices.
- Knowledge sharing – having platforms for sharing experiences by the different actors.
- Harmonisation of the methodologies for natural resources valuation, it would be prudent to have all these practitioners undergo the training.
- Coordination with LGs as MDAs need to work with/in consultations with the LGs.

