



Training Workshop for Local Governments on the implementation of Asset Management Action Plans (AMAPs)

organized by the United Nations Department of Economic and Social Affairs (UN DESA) in partnership with the United Nations Capital Development Fund (UNCDF) and the Ministry of Local Government, Uganda

Bomah Hotel, Gulu, Uganda, 15-17 OCTOBER 2018

The training workshop will be conducted by the United Nations Department of Economic and Social Affairs (UN DESA) and the United Nations Capital Development Fund (UNCDF) in collaboration with the Ministry of Local Government of Uganda. The workshop¹ is part of the broader United Nations effort to strengthen financing for sustainable development at the local level through the development of municipal asset management in the Least Developed Countries (LDCs). The project is implemented jointly by the Financing for Sustainable Development Office of UN-DESA in collaboration with UNCDF and focuses on local governments in four target countries (Uganda, Tanzania, Nepal and Bangladesh). The main objective of the workshop is to train local government officials in the formulation and implementation of an asset management action plan (AMAP) that can be effectively linked to a medium-term budget and a long-term sustainable development strategy. In addition, central government officials will be trained in providing support and applying a diagnostic tool to assess asset management needs of

¹ The workshop is also supported through The Development Initiative for Northern Uganda Programme funded by the European Union (EU) under the 11th European Development Fund (EDF) and the ICLD-UNCDF International Joint Training Programme to Strengthen Local Government in Support of Local Development in Southern and Eastern Africa. Objectives.

municipalities. The UN family and Government of Uganda, will also commemorate the UN day on poverty eradication (SDG-1) during the training most especially on day 1.

Preliminary Programme

Sunday, 14 October 2018	
Participants arrive in Gulu	
Monday, 15 October 2018	
8:00 a.m. - 8:30 a.m	Registration and participants assemble in Gulu Municipal Council Hall
8:30 a.m. - 9:00 a.m.	-Welcoming remarks by Town Clerk Gulu and presentation on the current Gulu municipal asset management systems/approaches and local government perspectives on asset management challenges. How does local revenue performance relate to asset management for Gulu? - <i>Richard Nyadru</i> - Guidance note and description of route for Gulu Municipal major assets field visit – Ms. <i>Sarah Apio Hussein</i>
9:00 - 9: 45 a.m.	Guided town drive to study the major Gulu municipal assets (Each vehicle will have Gulu municipal official to guide the teams)
9:45am-10:20am	All teams arrive and assemble at Gulu District compound on the side of post office: <ul style="list-style-type: none"> - A brief Statement from UN on the UN Day on Poverty Eradication-SDG 1 - Teams walk with a Banner from Gulu District Offices to Bomah Hotel in commemoration of UN International Day for the Eradication of Poverty - Statement from Gulu District Chairman, Representatives from MOLG and UN
10:30-11:00am	<i>Coffee Break</i>
11:00-11:15am	Workshop overview by UNCDF and UN-DESA
11:15 - 11:45 a.m.	Central government perspectives on the challenges of asset management in local governments in Uganda by Director of Local Government Inspection- Ministry of Local Government (MoLG)- <i>Mr. John Genda Walala</i>
11:45 a.m. - 12:15 p.m.	Policy issues for Local Government Asset management by the Accountant General- <i>Mr. Daniel Kigenyi</i>
12:15 - 12:45 p.m.	Presentation of IFMS Module for Asset Management: Practical issues on how to handle Assessment Management by the Commissioner for Treasury Services, Ministry of Finance, Planning and Economic Development (MoFPED) – <i>Mr. Aiden Rujumba</i>
12:45 - 1:00 p.m.	Interactive dialogue moderated by UNCDF/UNDESA
1:00 - 2:00 p.m.	<i>Lunch break</i>

2:00 - 3:00 p.m.	Applying the AMAP diagnostic tool (word, excel and online tools) Instructor: Ms. Linda Newton
3:00 - 4:00 p.m.	Interpreting the results of the diagnostic tool and helping municipal governments design Asset Management Profiles (AMAPs) Instructor: Ms. Linda Newton
4:00 - 4:15 p.m.	<i>Coffee Break</i>
4:15 - 5:45 p.m.	How to design an Asset Management Action Plan (AMAP) Step I: The Asset management framework - Core components of the overall vision for the management of municipal assets, including objectives, targets and links to the broader city vision and capital investment plan Instructor: Ms. Linda Newton
5:45 - 6:15 p.m.	Breakout session 1 -Local governments are invited to draft an outline for a broad asset management framework (Each session would be joined by Central Government staff and a consultant or UN-DESA and UNCDF representative)
6:15 - 6:30 p.m.	Closing remarks for day 1 and next steps MOLG

Tuesday, 16 October 2018

9:00am-9:30am

Remarks from the Permanent Secretary, Ministry of Local Government.
Mr. Ben Kumumanya

<p>9:30 a.m. - 10:30 a.m.</p>	<p>Brief opening and overview by UNCDF and UN-DESA</p> <p>Presentation of results from breakout session (1)</p> <ul style="list-style-type: none"> - Presentation of asset management framework - Mbale official - Moroto official - Yumbe official <p><i>[Ideally the presentation will be made at the working level by a newly designated asset management champion or focal point in each municipality/town]</i></p> <ul style="list-style-type: none"> - Interactive dialogue <p>Moderator: UN DESA/UNCDF</p>
<p>10:30 a.m. - 11:30 a.m.</p>	<p>How to design an Asset Management Action Plan (AMAP)</p> <p>Step 2: Identifying current asset management stakeholders and setting a performance goal for priority assets in line with the municipal asset management framework and national policies and regulations on asset management that govern the management of the selected asset;</p> <p>Instructor: Ms. Linda Newton and Mr. Jimmy Ochwo</p>
<p>11:30 a.m. - 11:45 a.m.</p>	<p><i>Coffee Break</i></p>
<p>11:45 a.m. - 1:00 p.m.</p>	<p>Breakout session 2</p> <ul style="list-style-type: none"> -Local governments are invited to set performance goals for priority asset(s) <p>(Each session would be joined by Central Government staff and a consultant or UN-DESA and UNCDF representative)</p>
<p>1:00 p.m. - 2:00 p.m.</p>	<p><i>Lunch break</i></p>
<p>2:00 p.m. - 3:00 p.m.</p>	<p>Presentation of results from breakout session (2)</p> <p>Presentation of performance goals:</p> <ul style="list-style-type: none"> - Mbale official - Moroto official - Yumbe official <ul style="list-style-type: none"> - Interactive dialogue

3:00 p.m. - 4:15 p.m.	<p>How to design an Asset Management Action Plan (AMAP)</p> <p>Step 3 and 4: “Identifying current asset management techniques for priority asset” and “Making a performance assessment of asset management practices against stated performance goal and identifying gaps and areas for improvement”</p> <p>Instructor: Ms. Linda Newton</p>
4:15 p.m. - 4:30 p.m.	<i>Coffee Break</i>
4:30 p.m. - 5:45 p.m.	<p>Breakout session (3)</p> <p>Local Governments to review their methods and technologies used in managing the asset (asset inventory database, asset management software, valuation techniques, life-cycle management, strategic portfolio reviews, integration of asset management needs in annual budgets, reporting and auditing of the asset). In addition, local governments will make a performance assessment of asset management practices against stated performance goal and identify gaps and areas for improvement.</p> <p>(Each session would be joined by central Government staff and a consultant or UN-DESA and UNCDF representative)</p>
5:45 p.m. - 6:00 p.m.	<p>Closing remarks for day 2 and next steps</p> <p>- MoLG</p>

Wednesday, 17 October 201

9:30 - 10:30 a.m.	<p>Presentation of results from breakout session (3)</p> <p>Presentation of asset management assessment</p> <ul style="list-style-type: none">- Mbale official- Moroto official- Yumbe official <p><i>[Ideally the presentation will be made at the working level by a newly designated asset management champion or focal point in each municipality/town]</i></p> <p>- Interactive dialogue</p> <p>Moderator: UN DESA/UNCDF</p>
10:30 - 11:30 a.m.	<p>How to design an Asset Management Action Plan (AMAP)</p> <p>Step 5: Identify concrete actions that help address the gaps and link the management of the asset to the municipal budget.</p> <p>Instructor: Ms. Linda Newton</p>
11:30 - 11:45 a.m.	<p><i>Coffee Break</i></p>
11:45 a.m. - 1:00 p.m.	<p>Breakout session (4)</p> <p>- Local Governments identify short and long-term actions to improve asset management techniques for priority asset(s)</p> <p>(Each session would be joined by Central Government staff or UN-DESA and UNCDF representative)</p>
1:00 - 2:30 p.m.	<p><i>Lunch break</i></p>
2:30 - 4:00 p.m.	<p>Presentation of results from breakout session (4)</p> <p>The road ahead: Local Government officials present their AMAP timeline and share requests for capacity development</p> <p>Interactive dialogue:</p> <p>(MoLG, UNCDF and UNDESA should discuss with LG officials how they best support of the implementation of AMAPs.)</p>
4:00 - 4:30 p.m.	<p>Workshop evaluation by participants</p>
4:30 - 5:00 p.m.	<p>Concluding remarks by town clerks and UNCDF and UNDESA and MOLG officials</p>

Thursday, 18 October 2018

Departure

Concept note

Background

The goal of the Government of Uganda to become a middle-income country by 2040 requires a concerted effort by authorities at the national and sub-national level to formulate, implement and adjust coherent development strategies that place the delivery of essential services and associated investments into small and large-scale infrastructure at the forefront of their political agenda. This effort also requires serious steps by national and local governments to prioritise the management of physical and publicly owned assets in key decision-making processes. Such assets (land, buildings, health and education facilities, infrastructure like roads, water and sanitation systems, solid waste disposal facilities or electricity grids) are the backbone of improved delivery of essential public services.

Indeed, Uganda faces a multitude of challenges that makes asset management increasingly necessary. First and foremost, the population of Uganda grows at a rate faster than that of any other country in the world, with its population doubling every 16 years. Such unprecedented growth is bound to put pressure on local government assets across the board, especially through increased urbanization. While such growth inevitably calls for the investment into new assets, local and national authorities must also tackle the underperformance of existing assets.

Asset management both at the local and national level is a multifaceted and complex effort. It is the process of transparent and comprehensive inventory, valuation, lifecycle management (acquisition, operation, maintenance and disposal), strategic portfolio review, reporting and auditing of assets. It is also a multi-stakeholder effort. For example, at the municipal level, it requires the involvement of the town clerk, the mayor, the local council and multiple local departments, including planning, accounting, health, education, road, engineering, procurement and community development. At the same time, it must follow national guidance and coordinate with other layers of the government that manage assets located in municipalities. In Uganda those assets include land (managed by the district governments), water and energy (managed by nationally operating utilities).

Proper Asset Management as provided for in Article 8 of the Local Government Financial and Accounting Regulations (LGFAR) 2007, and section 34 of the Public Financial Management Act (PFM), 2015 among others things: (i) allows local governments keep track of all their assets; (ii) helps LGs understand the capabilities of its assets, and how they can be maintained in the most effective manner and (iii) reduced incidences of loss and leads to proper accounting of assets.

Project overview

The United Nations effort to strengthen *financing for sustainable development at the local level through the development of municipal asset management frameworks in the Least Developed Countries* is being implemented jointly by the Financing for Development Office of the United Nations Department of Economic and Social Affairs (UN-DESA) and the United Nations Capital Development Fund (UNCDF). The purpose of the project is to introduce the concept of proactive asset management to local governments and to provide guidance to local governments in implementing concrete asset management action plans. The project follows a three-pronged strategy in Uganda, which includes:

s/n	Project strategy	Progress
1.	Helping cities and local governments in LDCs assess their current level of asset management by reviewing their assets in a holistic and integrated way and analyzing the role and potential of different stakeholders (e.g., central government agencies, mayor, local council, line departments, civil society and private sector).	✓ UN DESA and UNCDF developed Asset Management profiles (AMPs) for Mbale Municipality, Moroto Municipality and Yumbe District ✓ A draft paper on the National Framework for Municipal Asset management was produced and will be presented at the workshop Focus of training workshop
2.	Training city officials in the formulation and implementation of a long-term, customized asset management framework, including an asset management action plan (AMAP) that can be effectively linked to a medium-term budget and a long-term sustainable development strategy	
3.	Sharing lessons learned and general policy recommendations with other LDCs.	Implemented through an international workshop scheduled after the training workshops in target countries and field support activities to support the implementation of Asset Management Action Plans (most likely early 2020)

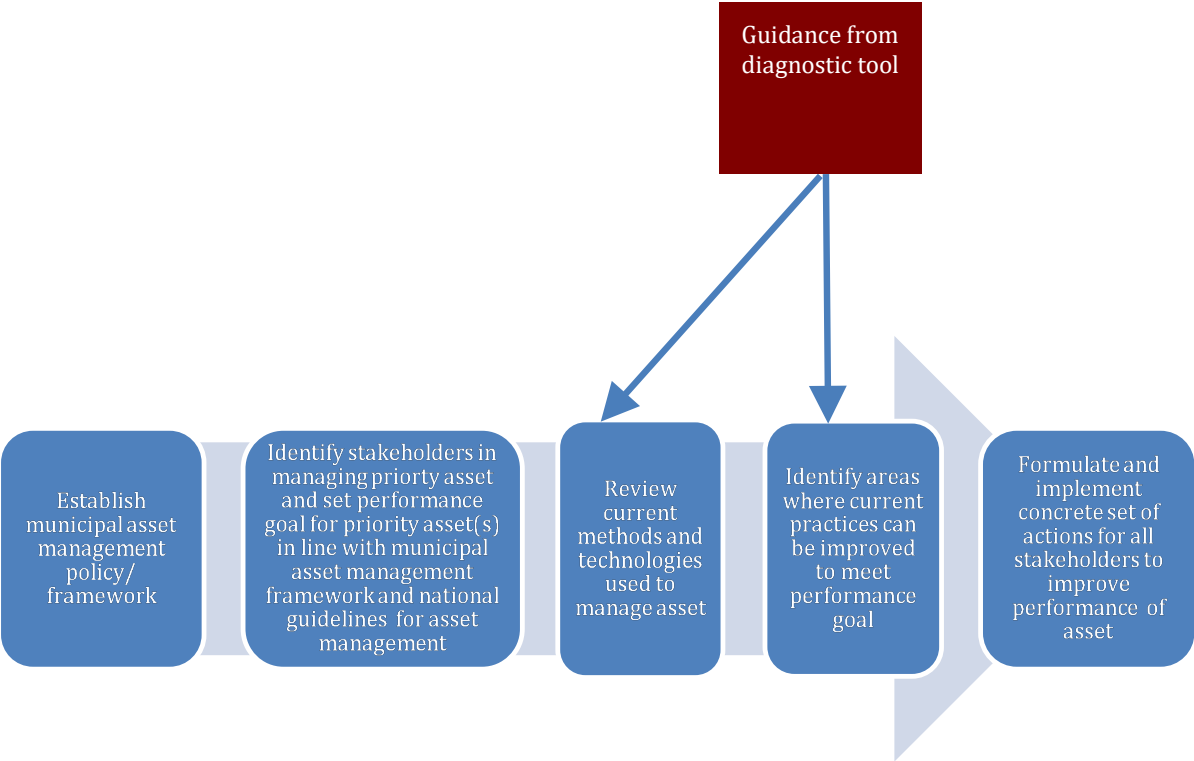
Project rationale

The decentralization policy in Uganda mandates Local governments (LGs) to improve service delivery as part of their responsibility to the people. The local governments are responsible for implementation of local, national and international policies and protocols at the local level. The provision of high quality and dependable services is thus a mark of good government and good leadership at the local government level as envisioned in the Local Government Act (CAP 243). Since there are never enough financial resources to meet all the needs, more so, given the ever reducing allocation of central government resources to LGs (in real terms) and the low own source revenue (OSR) base for LGs, it is prudent for LGs get the most they can with what they already have. In this regard, proper asset management makes an important contribution. However, there is a consensus that most Government assets at the local government level are not well maintained and many times even not accounted for due to several reasons that include; lack of asset management framework or plan, lack of financial resources or inadequate budgeting for Operations and Maintenance (O&M) costs.

Experience shows that in most situations, it is cheaper to maintain and repair than to replace assets. This is the same whether it is a vehicle, an office building, or a road. With proper asset management systems in place, plans and decisions can be made on how to best invest local government funds, and provide the best service to the community. The first step towards the development of a sound asset management system is the development of an Asset Management Action Plan (AMAP). An AMAP (figure 1) can relate to one or more assets and is based on a number of pillars: (i) the municipal asset management framework, i.e., the overall vision for the management of municipal assets, including objectives, targets and links to the broader city vision and capital investment plan (ii) a performance goal for one or more priority assets in line with the municipal asset management framework and national policies and regulations on asset management that govern the management of the selected asset as well as an assessment of stakeholders involved in managing the asset(s); (iii) a review of their specific functions and the types of methods and technologies used in managing the asset (asset inventory database , asset management software, valuation techniques, life-cycle management, strategic portfolio reviews, integration of asset management needs in annual budgets, reporting and auditing of the asset); (v) a performance assessment of these asset management practices against the stated objectives and a clear identification of gaps and areas for improvement; and (vi) the formulation of concrete actions by all relevant stakeholders that address the identified gaps and link proposed actions to improve the management of the asset to the current and medium-term municipal budget.

This hands-on training support is thus timely since it will introduce to the participants the concept of proactive asset management in local governments and provide guidance to local governments in implementing concrete asset management action plans.

Steps in formulating and implementing and Asset Management Action Plan (AMAP)



Objectives

The main objective of the workshop is to train Local Government officials in the formulation and implementation of asset management action plan (AMAP) that can be effectively linked to a medium-term budget and a long-term sustainable development strategy. In addition, central government officials will be trained in providing support and applying a diagnostic tool developed by UN DESA and UNCDF to help assess asset management needs at the local level. Specifically, the training will address:

- (i) Sharing experiences of current asset management practices in local governments with participants;
- (ii) Training of Trainers (ToT) to help central government officials and interested municipal officials to assist other municipalities and districts in the assessment of their current level of local asset management;
- (iii) Training local government officials in the formulation and implementation of a long-term, customized asset management framework, including an asset management action plan (AMAP);
- (iv) Hands on support to 16 DINU local governments to develop AMAP and design/ implement Assets Management Systems

Broader framework and follow-up activities

The workshop is part of a stream of activities that consists of (i) the preparatory work by MOLG/MoFPED to contextualize the IFMS Asset Management System for LGs (ii) the actual training workshop (iii) practical hands on support to LGs to develop AMAPs (iv) the design of an Asset Management system for LGs by MOLG and (v) Practical hands on support from trained ministry officials to support LGs to implement the new asset management system. The system of activities will be as follows:

