

CEDP IS A SUCCESS STORY – PS GGOOBI

By Benon Ojiambo

The Permanent Secretary and Secretary to the Treasury, Ramathan Ggoobi, has described the Competitiveness and Enterprise Development Project (CEDP) as a successful project despite the outbreak of COVID-19 that affected several undertakings.

“It has been rated as satisfactory in its performance. It is one of the few projects that have performed quite well relative to so many other projects under similar circumstances,” Ggoobi said.

He was speaking to *New Vision* in an exclusive interview over the project performance in Kampala.

CEDP is a Government project financed by the International Development Agency of the World Bank with the aim of improving the competitiveness of enterprises in Uganda.

This has been done through supporting reforms in priority productive and service sectors geared towards a better investment climate with particular focus on micro, small and medium enterprises (MSMES).

The project components are land administration and management reform, business registration and licensing reform, tourism competitiveness development and the matching grant facility.

Of these, Ggoobi singled out business registration and licensing reform and matching grant facility as the best performing components.

“We were targeting to reduce the number of days it would take for someone to register a business to about five days from as high as more than a month. This has been reduced to less than a day, meaning we have surpassed the target, mainly due to this project,” he stated.

According to project documents, this has been achieved through different interventions like installation of an Electronic Document Management System (EDMS) for the Uganda Registration Services Bureau (URSB) that was concluded in August 2017.

The system digitised all the current and new organisation documents which can now be accessed online as opposed to retrieving them manually.

Other interventions include the establishment of a pilot one-stop shop that was established to host service points for at least seven Ministry Departments and Agencies (MDAs) in the chain of business registration and licensing.

The agencies are Kampala Capital City Authority (KCCA), National Social Security Fund (NSSF), Ministry of Lands, Uganda Revenue Authority, Ministry of Local Government, National Environmental Management Authority, Uganda Free Zones Authority and the National Identity Registration Authority.

Additional interventions that are



The Uganda Business Facilitation Centre in Kampala is home to UIA, URSB and CMA

IMPROVING PROJECT READINESS

Key among the outstanding issues that were raised by the project-implementing agencies was the delayed implementation occasioned by several approval stages that it had to undergo, both by the Government and the World Bank.

Prior to approval, government projects are subjected to approvals from their institutions and others like development committee under Ministry of Finance, Attorney General Chambers, Cabinet and Parliament.

At the same time, financiers like the World Bank subject them to various approvals and this results in delays.

Ggoobi said they have devised means to deal with this.

“We have completely overhauled project preparation processes by requiring all MDAs to follow the prescribed process of getting the projects into the budget. There is no project that we are going to allow into the budget when it has not completed the entire process,” he said.

Ggoobi said his office and the Attorney General’s are devising mechanisms of exploring parallel approval of projects so that we don’t compromise the quality of appraisal.

“We think that the reason why some of these projects are being implemented when they are not ready is because the approval processes are moving at different paces and it affects their readiness,” he stated.

Going forward, he explained that they shall allow the projects to go through both the government and development partner approval processes, simultaneously.

“In the event that any time we feel that any project that has been appraised is not needed or its cost should be revised, we have asked development partners to guarantee that they can review the processes without causing any financial loss to the Government.

This is intended to ensure that every single project is studied up to the last box that has to be ticked before it gets started. If there is counterpart funding, it should be availed such that we don’t commit the Government to start paying commitment fees for a project that wasn’t ready,” he added.

Government was planning to establish a project preparation support fund which will be capitalised to ensure that the above is undertaken.



Ramathan Ggoobi

expected to make work seamless include the design of an online business registration system for URSB and the construction of the



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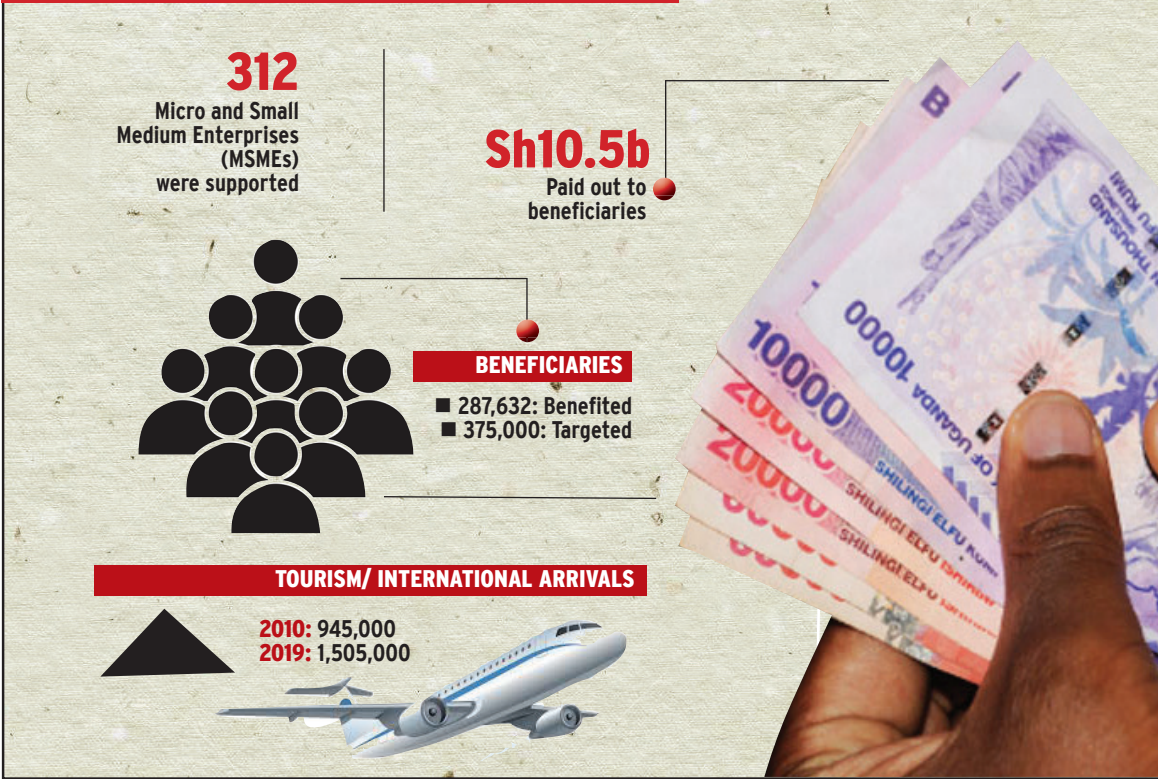
Project documents indicate that the grant **cumulatively** ran six calls for proposals between inception and June 2019.

Uganda Business Facilitation Centre (UBFC) which is nearly complete and ready for occupation.

OTHER COMPONENTS

With the matching grant facility, Ggoobi explained that there has been an increase in productivity for MSMEs that benefited from the matching grants. Project documents also indicate that the grant cumulatively ran six

How MSMEs benefited



calls for proposals between inception and June 2019. “A total of 312 MSMEs were supported across the country.

Reimbursements totalling \$2.8m (about sh10.5b) was paid out to beneficiaries. “With this, we are now talking

of 17% productivity growth against a target of 10% in 2019 for the MSMEs that were supported despite the COVID-19 outbreak. Going forward,

we hope that this will be sustained and even up-scaled,” he stated.

TOURISM COMPETITIVENESS DEVELOPMENT

The tourism component was implemented by different agencies including, the Uganda Hotel and Tourism Training Institute, Uganda Tourism Board and the Uganda Wildlife Authority. Project documents show that several targets under this component were surpassed like increasing the number of international tourist arrivals from 945,000 at baseline in 2010 to 1,505,000 in 2019, which was a 59% increase. This was against a target of 1.5 million arrivals by 2019. “Number of persons employed in the tourism sector increased from 225,300 at baseline in 2010 to 667,600 in 2019, against a target of 300,000 by project end.

CHALLENGES

This project was delayed by about a year while seeking the necessary approvals and, later, was affected by the outbreak of COVID-19 which also affected other projects other than CEDP. “There are about 94 projects which we had hoped would exit the national budget this financial year, but have been extended due to COVID-19. “But by and large, CEDP surprised us,” he added.