



Oxford Policy Management

**Near-End Review of the Norwegian
Support to the Programme
“Strengthening the Management of the Oil
and Gas Sector in Uganda”**

Consultancy Services

Case No. UGA-14/0019

Final Report

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11 April 2018

Executive Summary

Oxford Policy Management (OPML) has undertaken a Near-End Review of Phase II of the Royal Norwegian Embassy in Uganda's support programme "Strengthening the Management of the Oil and Gas Sector in Uganda" (2015-2018), herein referred to as the Oil for Development Programme. This programme falls under the broader Norwegian Oil for Development programme (OfD), through which the Norwegian Government offers assistance to a number of developing countries that are already, or are poised to become, New Oil & Gas Producer countries.

The objective of Phase II of the Uganda OfD programme was two-fold:

- 1) Contribute to achieving the high-level impact objective set out in the Uganda *National Oil and Gas Policy* (2008): *"to use the country's oil and gas resources to contribute to early achievement of poverty eradication and creating lasting value to society"*. This has been interpreted to mean that *"resources are used in an economic, social and environmentally sustainable manner to meet the needs of the present and future generations"*;
- 2) Contribute to achieving this goal by: *"putting in place institutional frameworks and capacities that ensure a well-coordinated, results-oriented, and accountable resource, revenue and health, safety and environment (HSE) management of the oil and gas sector"*.

The programme currently comprises three phases: Phase I which covered the 5-year period from 2009 to 2014. The 2014 review of Phase I supported the approval of a further 3-year Phase II, covering the period from 2015 to 2018. This Near-End Review covers Phase II (2015-2018) and began in December 2017 for completion in April 2018. The envisaged Phase III programme is intended to cover a 5-year period from 2018 to 2022.

The overall objective of the Near-End Review has been to *"to compile lessons and experiences from the current Programme as a basis for inputs and recommendations to the new programme"*. Delivering on this objective has involved a thorough documentation review of key programme documents to enable the OPML team to assess the extent to which the current programme is operating, and to what extent it has achieved the intended results. The Near-End Review also comprised the OPM team conducting key stakeholder and beneficiary interviews in-country in January 2018. The Ugandan interviewees represented several ministries, departments and agencies of the Government of Uganda, private sector entities and civil society organisations – all of whom are engaged in the Ugandan oil and gas sector. Interviews with Norwegian counterparts were also carried out by Norad and are incorporated in this review.

This assessment is being carried out by Oxford Policy Management. The project manager is Mark Beare; mark.beare@opml.co.uk. The remaining team members are Dr Ashira Perera, Gerald Owachi and Dr Evelyn Dietsche.

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Key Achievements

To summarise, the key achievements of the current Phase II include:

- The majority of interviewees expressed appreciation for the role of the Programme Coordination Committee (PCC).
- Under the **Resource Pillar**, Operational cooperation between Ugandan and Norwegian counterparts has generally worked well, with a high degree of Ugandan ownership of the programme.
- Under the **Revenue Pillar**, there has been improved coordination and strengthened its working relationship with the Norwegian counterparts. There has also been capacity building at MoFPED on fiscal regime, petroleum sector model, Input to macro-economic model etc. From the Ministry of Finance side, Laws and regulations in regard to oil revenue management have been strengthened
- Under the **Environmental Pillar**, specific mention was made of the role of the programme in supporting the development of the disaster risk management instruments and the impending environment legislation. The Environmental Regulatory Agencies have benefited from the capacity building, despite concerns regarding the overall coordination of the pillar.

Key results of the Near-end Review

The key results are centred around three headline themes underpinning the critical issues that have emerged from the interviews with Ugandan and Norwegian stakeholders. These are grouped as follows:

- **On Governance:** the Near-End Review found that the Environmental management pillar faces challenges from difficult intra-pillar coordination, collaboration and information sharing. A cross-cutting issue, flagged not least also to address this pillar-specific challenge, has been the role of the PCC. While appreciated, this role was found to have scope to play a more monitoring, evaluation and learning (MEL) function to more effectively manage implementation risks on an ongoing basis.
- **On Programme Delivery:** in general there was a positive tone regarding the delivery especially with regard to the ownership of the various aspects of the programme and the pace/impact of delivery once funds were available. The challenge has been to balance the

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need to adhere to Ugandan finance rules to avert fund mismanagement against the need for effective and efficient programme delivery.

- **On Contents and Gaps:** new institutions such as PAU and UNOC are drawing away newly built capacity but need their own specific training, whilst capacity building increases mobility and OfD Uganda should be viewed as a ‘capacity incubator’ with ongoing capacity building. The current OfD focuses on the upstream but there is increased attention to the mid/downstream. OfD Uganda may need to assess this in terms of the broader Theory of Change (ToC) of the OfD programme more generally.

Key recommendations

The recommendations from the Near-End Review are divided into eight key areas for the consideration of the design of the upcoming Phase III. These include:

- **Realigning the role of PCC** so that it focuses less on lengthy and backward-looking status report, but instead adopt a more forward-looking and dynamic approach that emphasizes the delivery of programmed activities according to the respective pillar’s annual work plan. Importantly, this should include adopting a risk-based approach to forward planning and track activities with the view to improve monitoring of programme implementation.
- **Streamlining pillar components** on those subjects which is most valued and found valuable. Streamlining pillar components could go along with the potential reduction of local funds and the establishment of a call down facility for funds not disbursed, thus also shifting more responsibility onto the Ugandan side to call down Norwegian support and to specify respectively required budgetary contributions on the Norwegian as well as the Ugandan side
- **Improving definitions of key success indicators by** defining component sub-outputs more explicitly to ensure that the metrics tracked measure success more pragmatically and reporting is done against the envisaged component outcome with a narrative added only when there is the need to explain non-achievements and/or delays.
- **Tightening governance arrangements for Ugandan counterpart funding** to prevent respective delays having a negative impact on programme implementation.
- **Finding alternative solutions in order to reduce delays in fund transfers** from the Ministry of Energy & Minerals Development (MEMD) to other MDAs responsible for the implementation of respective pillar components. There are several options in this regard.

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However, the Programme will need to weigh up the pros and cons of each of the alternatives presented in this report.

- **Considering embedded ‘old hand’ advisors** who could work directly with and for the Ugandan MDAs that are conducting commercial negotiations with the private sector in order to boost the Ugandan side’s commercial acumen to get commercial projects off the ground quicker. However, a preferable alternative would be if international organisations, such as the World Bank or the AfDB, would consider this type of support, which invariably bears both pros and cons.
- **Empowering the Programme Secretariat to coordinate and administer the budget and implementation of the communication strategy** amongst the four pillars in Phase III, with a dedicated communication person responsible for developing and implementing the strategy.
- **Implementing a capacity building strategy** as an essential element of the overall strengthening of the sector. It is recommended that for future capacity building, each institution benefiting from capacity building produce a plan for how the capacity building will be used to retain skills and leverage them for the broader development of the organisation. At the same time, the concept of the Oil for Development Programme being a ‘capacity incubator’ is important, as repetitive building of capacity within government that ultimately strengthens the sector is a positive outcome of the programme.

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List of abbreviations

AGODA	Albertine Graben Oil and Gas District Association
CNOOC	China National Offshore Oil Corporation Uganda Limited
DFID	Department for International Development
DoP	Directorate of Petroleum
EACOP	East Africa Crude Oil Pipeline
ESIA/EIA	Environmental and Social Impact Assessment/Environmental Impact Assessment
EU	European Union
E&P	Exploration & Production
GIZ	Gesellschaft für Internationale Zusammenarbeit
GoU	Government of the Republic of Uganda
HSE	Health, Safety and Environment
IAC	Investment Authority Committee
IMF	International Monetary Fund
IOCs	International Oil Company/ies
JV	Joint Venture
MAAIF	Ministry of Agriculture, Animal Industries and Fisheries (Uganda)
MCE	Norwegian Ministry of Climate and Environment
MDAs	Ministries, Departments and Agencies
MEMD	Ministry of Energy and Mineral Development (Uganda)
MFA	Norwegian Ministry of Foreign Affairs
MoFPED	Ministry of Finance, Planning and Economic Development (Uganda)
MGLSD	Ministry of Gender, Labour and Social Development (Uganda)
MoJCA	Ministry of Justice and Constitutional Affairs (Uganda)
MoLHUD	Ministry of Land, Housing and Urban Development (Uganda)
MPE	Norwegian Ministry of Petroleum and Energy
MTWA	Ministry of Tourism, Wildlife and Antiquities (Uganda)
MWE	Ministry of Water and Environment (Uganda)
NEMA	National Environment Management Authority

NCA	Norwegian Coastal Administration
NEA	Norwegian Environmental Authority
NFA	National Forestry Authority (Uganda)
NOK	Norwegian Krone
Norad	Norwegian Agency for Development Cooperation
NPD	Norwegian Petroleum Directorate
O&G	Oil and Gas
OAG	Office of the Auditor General
OfD	Oil for Development
OPML	Oxford Policy Management Limited
OPM	Office of the Prime Minister
OTO	Norwegian Oil Taxation Office
PAU	Petroleum Authority of Uganda
PCC	Programme Coordination Committee
PFM	Public Financial Management
PFMA	Public Financial Management Act, 2015
PSA	Production Sharing Agreement
RNE	Royal Norwegian Embassy
SEA	Strategic Environmental Assessment
SN	Statistics Norway
ToC	Theory of Change
TPDC	Tanzania Petroleum Development Corporation
UBOS	Uganda Bureau of Statistics
URA	Uganda Revenue Authority
UNOC	Uganda National Oil Corporation Limited
UWA	Uganda Wildlife Authority
WB	World Bank

1 Introduction

The Royal Norwegian Embassy (RNE) in Uganda has commissioned Oxford Policy Management (OPML) to undertake a Near-End Review of its support programme “Strengthening the Management of the Oil and Gas Sector in Uganda”, herein referred to as the Oil for Development Programme. This programme falls under the umbrella of the broader Norwegian Oil for Development programme (OfD), through which the Norwegian Government offers assistance to a number of developing countries that are already, or are poised to become, New Oil & Gas Producer countries.

Whilst there was support for the petroleum sector previous to the OfD programme, the OfD cooperation between Uganda and Norway began in 2006, when a first 3-year OfD Programme (2006-2009) focused on strengthening the state petroleum administration in Uganda with regard to policy, institutional framework and administrative functions, planning and regulatory functions in PEPD (henceforth denoted by the Directorate of Petroleum, DoP) and to study the conditions necessary for commercial development of the oil and gas sector in Uganda. This programme was funded with NOK 21 million.

A further cooperation agreement was signed in July 2009 to deliver Phase I of the current OfD programme. It covered the 5-year period from 2009 to 2014. Phase I was funded with NOK 80 million, plus an additional NOK 67 million that were approved in 2013.

The 2014 review of Phase I supported the approval of a further 3-year Phase II, covering the period from 2015 to 2018. Total funding for Phase II has amounted to NOK 53 million.

This Near-End Review covers Phase II (2015-2018). It has been carried out by a team of consultants including Mark Beare, Dr Ashira Perera, Gerald Owachi and Dr Evelyn Dietsche. It was kicked-off in December 2017 for completion in March 2018.

1.1 Objectives

1.1.1 Near-End Review objectives

The overall objective of the Near-End Review is:

- ***“to compile lessons and experiences from the current Programme as a basis for inputs and recommendations to the new programme”.***

The envisaged Phase III programme is intended to cover a 5-year period from 2018 to 2022.

For achieving this overall objective, the Near-End Review shall deliver two **operational objectives**:

1. ***To assess how the current Programme is operating, and to what extent it has achieved the intended results*** (here the assumption is that ‘results’ refers to the programme’s three envisaged outcomes as set out in Section 2).
2. ***To present recommendations to be considered for the new programme.***

1.1.2 Phase II Programme objectives

For the Uganda OfD Programme, the Norwegian Ministry of Foreign Affairs and the Government of the Republic of Uganda, as well as several other Norwegian and Ugandan Ministries, Departments and Agencies (MDAs), have agreed the following two-fold objective:

First, the programme shall contribute to achieving the high-level impact objective set out in the Uganda *National Oil and Gas Policy* (2008): **“to use the country’s oil and gas resources to contribute to early achievement of poverty eradication and creating lasting value to society”**. This has been interpreted to mean that **“resources are used in an economic, social and environmentally sustainable manner to meet the needs of the present and future generations”**.

Second, the programme seeks to contribute to achieving this goal by: **“putting in place institutional frameworks and capacities that ensure a well-coordinated, results-oriented, and accountable resource, revenue and health, safety and environment (HSE) management of the oil and gas sector”**. This is to entail **“the sustainable economic, social and environmental use of petroleum resources so as to meet the needs of the present and the future generations”**.

This second objective is also referred to as an operation goal; it is used as the benchmark for measuring the programme’s impact and as the basis for assessing whether the programme has delivered on its envisaged outcomes.

1.2 Structure of the review

This report is structured in four parts. Section 2 contextualises the Ugandan petroleum sector, explains the programme’s logic and set-up, and summarises its achievements to date. Section 3 summarises the findings of the Near-End review, focusing on themes and issues that have been flagged as critical. Section 4 draws conclusions and puts forth recommendations for Phase III. Finally, the report is backed-up by a series of annexes, including the results of reviewing programme documents (Annex A), the results of the interviews conducted with Ugandan and Norwegian stakeholders (Annex B), the list of interviewees (Annex C), the list of reviewed documents (Annex D), and the Terms of Reference for the assignment (Annex E).

2 Programme context and logic

2.1 Uganda's petroleum sector

Since the discovery of commercial quantities of oil in the Albertine Graben in 2006, the Ugandan petroleum sector has seen an enormous increase in activities. Drilling resulted in a remarkable success rate, prompting several international companies to invest in production licences and the development of fields as well as the required infrastructure to bring the crude oil produced to international and local markets.

The main investing International Oil Companies (IOCs) are **Tullow Uganda Explorations Pty Ltd** (Tullow), **Total E&P Uganda** (Total), and the **China National Offshore Oil Corporation** (CNOOC). Each IOC holds several licences, and they are collaborating to develop the **East Africa Crude Oil Pipeline** (EACOP) with the intention to export partly refined Ugandan crude oil to international markets. The **Uganda National Oil Company** (UNOC) and the **Tanzania Petroleum Development Corporation** (TPDC) are also party to the pipeline project. Reaching from Kabaale-Hoima in Uganda to the Chongoleani peninsula near Tanga port in Tanzania, this pipeline will measure 1,445 km. To minimise impacts on the environment and people, the EACOP will be mostly buried, with some facilities above ground. Due to the viscous and waxy nature of Uganda's crude oil, the EACOP will need to be electrically heated.

2.1.1 Institutional framework

Since the discovery of the Lake Albert basin Oil, the Ugandan government has been playing catch-up to put in place an institutional framework that enables sector development. This has included a) designing and approving a legal and regulatory framework supporting the commercial exploitation of the explored resources and b) providing capacity building to and developing government authorities to govern and oversee the sector. Based on Norway's experience with the O&G sector, the OfD Programme has sought to contribute to both outputs.

The sector is led by the Ugandan **Ministry of Energy and Mineral Development** (MEMD). The overarching governance framework is based on the *National Oil and Gas Policy* of 2008, the *Petroleum (Exploration, Development and Production) Act 2013*, the *Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act 2013*, and associated Regulations and guidelines.

Provisions included in the *Petroleum (Exploration, Development and Production) Act 2013* have also laid the ground for setting up two new sector organisations: **UNOC** and the **Petroleum Agency of Uganda (PAU)**. Both organisations were inaugurated in October 2015. They are still in the process of recruiting more staff to undertake their assigned responsibilities.

2.1.2 Actors in the sector

Figure 1 summarises the main actors in the Ugandan Petroleum sector. Shown down the middle are the three specific sector organisations leading the sector. The main private sector parties invested in the O&G sector are shown on the left hand side. The additional government MDAs involved in governing the sector are captured on the right hand side. Marked in bold are those three Ugandan ministries that are signatories to the OfD Programme's **Institutional Cooperation Agreement**, explained in section 2.2.

Figure 1: Public and private sector entities acting in and around the sector

Private Sector Investors	Sector-focused Government entities	Sector-relevant Government entities
International Oil Companies (IOCs) <ul style="list-style-type: none"> • Tullow Uganda Operations • Total E&P Uganda • CNOOC • Oranto Petroleum International Limited • Armour Energy Limited 	Ministry of Energy and Mineral Development (MEMD) <ul style="list-style-type: none"> Directorate of Petroleum: <ul style="list-style-type: none"> • Petroleum Exploration and Production Department (PEPD) • Midstream Petroleum Department • Department of Petroleum Supply and Distribution Petroleum Authority of Uganda (PAU) <ul style="list-style-type: none"> • Petroleum Safety Unit (in the process of being established) Uganda National Oil Company (UNOC) 	Office of the President Office of the Prime Minister Ministry of Finance, Planning and Economic Development (MFPED) <ul style="list-style-type: none"> Uganda Revenue Authority (URA) Uganda Bureau of Statistics (UBOS) National Planning Authority (NPA) Office of the Accountant General (OAcG) Office of the Auditor General (OAG) Bank of Uganda (BoU) Ministry of Water and Environment (MWE) <ul style="list-style-type: none"> National Environmental Management Agency (NEMA) National Forest Authority (NFA) Ministry of Tourism, Wildlife and Antiquities (MTWA) <ul style="list-style-type: none"> Uganda Wildlife Authority (UWA) Ministry of Lands, Housing and Urban Development (MLHUD) Ministry of Agriculture, Animal Industry and Fisheries (MAAIF) Ministry of Gender, Labour and Social Development (MGLSD) Ministry of Justice and Constitutional Affairs (MJCA)

2.2 Set-up of the Uganda OfD programme

The Government of Norway initiated its OfD programme in 2005 against the background of the premise that (i) Norway’s experience in petroleum management can offer valuable advice to countries that are new to producing petroleum resources and that (ii) the Norwegian experience is, at least to a good extent, transferable.

The programme now covers 12 countries and several are located in Sub-Saharan Africa. It is coordinated and quality controlled by the OfD Secretariat homed in Norad. Technical expertise is provided by staff seconded from Norwegian government entities and, occasionally, by consultants funded through the programme.

Norway’s support to the Ugandan O&G sector started off by focusing on establishing the legal and institutional basis for producing the country’s newly discovered resources. This included developing Uganda’s *National Oil and Gas Policy 2008* with its following high-level objective that was outlined above in sub-section 1.2.2.

Starting in 2009 with Phase I of the current programme, the OfD Programme has been organised around **three pillars** aimed at achieving the operational goal of “*putting in place institutional frameworks and capacities that ensure a well-coordinated, results-oriented, and accountable resource, revenue, environment and HSE management of the oil and gas sector*”. These pillars have covered: (1) **Resource management**, (2) **Environment management**, and (3) **Revenue management**. This pillar structure was established as a result of the six-month inception period that kicked off Phase I. The Phase 1 Review did not question its suitability and, thus, this pillar structure was retained for Phase II.

2.2.1 Contractual agreements

The parameters for Phase II (2015-2018) are set out in three documents:

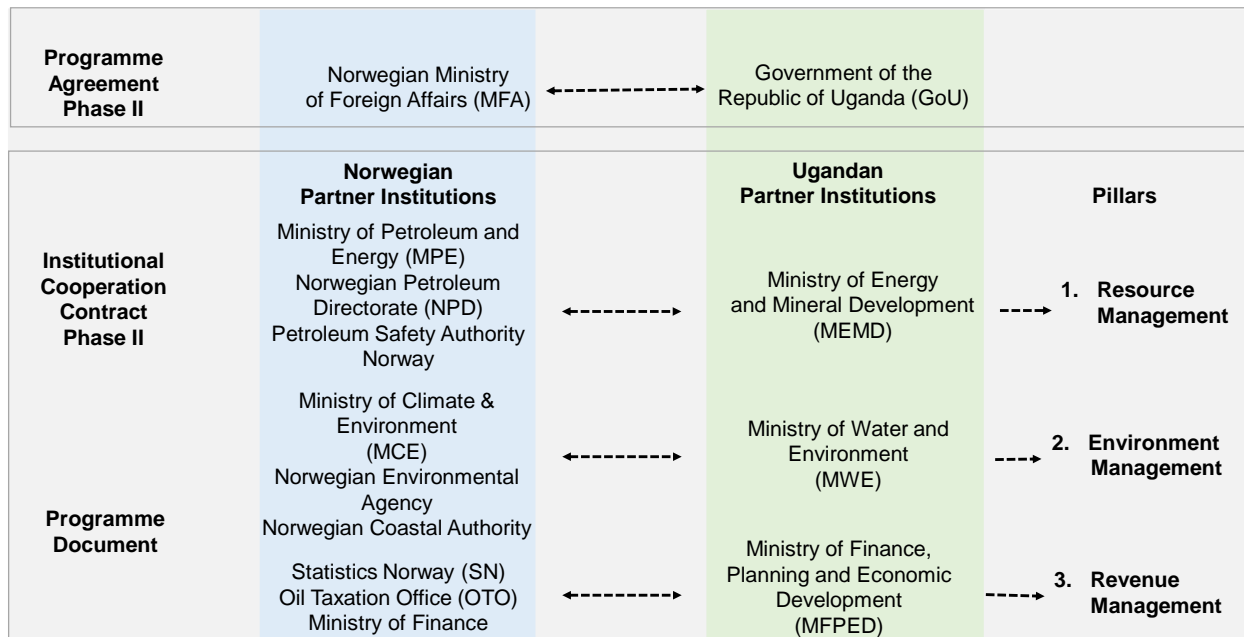
- The **Programme Agreement** signed between the Norwegian Ministry of Foreign Affairs (MFA) and the Ugandan Ministry of Finance, Planning and Economic Development (MoFPED). It sets

out the programme’s overall governance, as well as the intended impact and outcomes, how these would be measured, and the potential internal and external risks faced.

- An **Institutional Cooperation Agreement** links up several Ugandan and Norwegian government ministries, departments and agencies (MDAs) and specifies the management arrangements, the obligations and responsibilities that the various parties resume, as well as financial considerations.
- A **Programme Document**, prepared by the Ugandan Ministry of Energy and Mineral Development (MEMD), that sets out the baseline achievements of Phase I and the design, organisation and components of the Phase II programme, broken down into sub-components and associated operational outcomes and outputs.

Figure 2 lists these three key documents to the right hand side. The three programme pillars mentioned above are shown on the left hand side. The institutional relationships between the primary Norwegian and Ugandan counterparts are set out down the middle.

Figure 2: Key documents, partner organisations and programme pillars



2.2.2 Governance and management arrangements

The governance structure of the Uganda programme is depicted in Figure 3. It shows the role of the **Programme Coordination Committee (PCC)** and the Ugandan **Programme Secretariat** and **Programme Manager**:

- The PCC consists of representation from the three leading MDAs: MEMD, Ministry of Water and Environment (MWE) and MoFPED, and its responsibility it is to coordinate the institutional cooperation across the three pillars.
- The Programme Secretariat assists the PCC. The Secretariat is headed by the Programme Manager, who also chairs the PCC meetings and is supported by a team including a Programme Administrator, a Programme Accountant and a Procurement Officer.

-
- The Programme Manager is appointed by MEMD. His/her responsibility is to coordinate the cooperation, collaboration and communication between the various Ugandan and the Norwegian counterparts.

In theory, each of the three pillars is managed by:

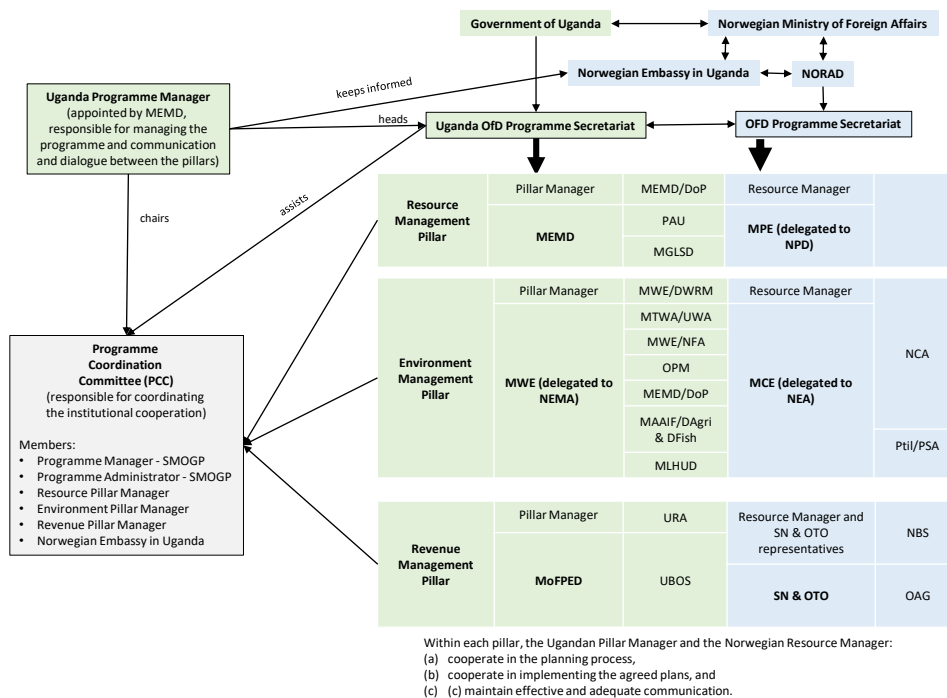
- a **Pillar Manager** on the Ugandan side, and
- a **Resource Manager** on the Norwegian side.

In practice, however, there are some noteworthy differences in these management arrangements. First, while the Resource Management pillar and the Revenue Management pillar are led by Pillar Managers from the two respective core ministries, the MEMD and MFPED, the Environment Management pillar is not led by a Pillar Manager from the MWE. Instead, the Pillar Manager is from the National Environment Management Agency (NEMA). This seeming anomalous situation, in terms of how the OfD is usually designed, is explained by the fact that unlike other pillars, the environment pillar required coordination of several entities. This was recognised during the six-month inception period for Phase 1. The framework for environment management in Uganda (from the National Environment Act) gives the coordination responsibility to NEMA. Consequently, and tap into NEMA's overarching responsibility, it was designated by the Minister and Permanent Secretary (MWE) to coordinate the Environment Pillar, hence accordingly designating a pillar manager who reports to the PS quarterly.

Second, compared to the other two pillars, the Environment Management pillar has to coordinate a greater number of Ugandan MDAs, all of which have little experience in dealing with the risks and impacts associated with the evolving O&G sector. Currently, the Resource Pillar has a distinct Occupational HSE component that involves additional Government entities that are not even captured in Figure 3. The safety component was 'shared' between the Environment Pillar and the Resource Pillar. With the Environment Pillar overseeing the environmental issues likely to arise out of safety oversights while the Resource Pillar attended to the safety issues emerging from engineering processes within the sector and related occupational HSE matters. Practically this was achieved by participation of NEMA, NCA and NEA in a workshop on Safety organized by the Resource Management Pillar and reciprocated by the participation by MEMD/PD in activities on various components organized by the Environment Management Pillar. This is likely to be rationalised in Phase III with the establishment of a Safety Pillar, however who the responsible ministry will be is unclear as discussed in Section 3.1.3.

Third, there are differences in how Resource Managers have been appointed to each of the pillars. The Resource Management pillar benefits from a Resource Manager from the NPD (the Norwegian MPE delegated responsibility to the NPD). The Environment Management pillar benefits from a Resource Manager from the NEA representing the Norwegian MCE. By contrast, the Revenue Management pillar has a Resource Manager, who is appointed by the Norwegian OfD Programme Secretariat. He/she coordinates with two representatives from Statistics Norway (since January 2017) and the Norwegian Oil Taxation Office (OTO)The Norwegian Ministry of Finance participated towards the end of Phase II.

Figure 3: Programme governance



The next two sub-sections summarise the programme’s Theory of Change (ToC) and the expected pillar outcomes.






2.2.3 Theory of Change (ToC)

The programme’s ToC captured in the upper part of Table 1 shows how the three pillars are expected to feed into the programme’s high-level impact objective, operational goal and envisaged outcomes, as derived and interpreted from the *National Oil and Gas Policy 2008*. The lower half of Table 1 shows the various components of the three pillars that are reflected in the **Programme Document**. Associated with each of these components are pillar-specific expected sub-outcomes and sub-outputs. These are not show in Table 1, but are captured in the tables in Annex A.

Notably, the two arrows pointing both ways highlight the ToC’s critical assumption that the various components of the three pillars and the inputs availed to these will support the Programme’s three envisaged high-level outcomes, its high-level operational goal and its impact objective.

With reference to the next section, the numbered pillar components shown in the bottom half of Table 1 match those reflected in the tables included in Annex A. Annex A show the results of the Document Review, comparing the activities programmed in 2015 with the achievements reached by the end of 2017.

Table 1: Theory of Change

<p>High-level Impact objective</p>	<p>As per <i>National Oil and Gas Policy 2008</i>: Uganda uses its oil and gas revenues to contribute to early achievement of poverty eradication and to create lasting value to society. This is interpreted in the sense that resources are used in an economic, social and environmentally sustainable manner to meet the needs of the present and future generations.</p>		
			
<p>High-level Operational goal</p>	<p>GoU puts in place institutional frameworks and capacities that ensure a well-coordinated, results-oriented, and accountable resource, revenue, environment and HSE management of the oil and gas sector. As per the above interpretation, this is to entail the sustainable economic, social and environmental use of petroleum resources so as to meet the needs of the present and the future generations. The programme's ToC sees this operational objective achieved if:</p> <ul style="list-style-type: none"> • <i>Petroleum resources are developed, produced and transported in a way that ensures that the economic value of the resources is maximised;</i> • <i>Petroleum resources are developed, produced and transported in a way that minimizes the negative effects on the environment and the climate, on human health and welfare;</i> • <i>The safety of those working in the sector, as well as others affected, is no compromised;</i> • <i>The country receives a fair share of the revenue, and the revenue is handled in a way that supports economic growth, job creation, inclusive social development and the general equality and welfare of the people across generations.</i> 		
			
<p>High-level Envisaged outcomes</p>	<p>GoU has established sound policies, as well as legal and regulatory frameworks, and subsequently defined and delegated responsibilities for managing the petroleum sector in an economically, socially and environmentally sustainable way.</p>	<p>GoU have knowledge as well as human and institutional capacity to manage the petroleum resources in accordance with their mandate (policy, legal and administrative framework) in the petroleum sector.</p>	<p>GoU are held accountable for the management of the petroleum resources.</p>
<p><u>Assumption:</u></p>			
<p>The above Envisaged outcomes will be supported by the below Pillar Inputs and Pillar Components</p>			
<p>Pillars</p>	<p>Resource pillar</p>	<p>Environment pillar (including Safety)</p>	<p>Revenue pillar</p>
<p>Inputs</p>	<p>NOK 25 million</p>	<p>NOK 21 million</p>	<p>NOK 7 million</p>
  			
<p>Pillar Components (for the sub-outcomes and sub-outputs associated with these, see the tables in Annex A)</p>	<ol style="list-style-type: none"> 1. Pillar Management 2. Legal and Regulatory Framework 3. Licencing Strategy and Plan 4. Monitoring & Supervision 5. Institutional Development and Capacity Building 6. Data and Records Management 7. Resource Assessment 8. Midstream Development 9. Implementation of Comms. Strategy 	<ol style="list-style-type: none"> 1. Implementation of the SEA recommendations 2. Update of legal framework for Environmental Mgt. 3. Development of Regulatory Capacity for O&G environmental issues 4. Development of Env. data collection and information systems 5. Implementation of Albertine Graben Env. Mgt. Plan 6. Development of National Oil Spill Contingency Plan 7. Pillar Management 	<ol style="list-style-type: none"> 1. Economic and Legal Framework 2. Statistics 3. Pillar Management

2.3 Programme achievements to date

This section briefly reviews the achievements of Phase I, before it hones in on the expectations and achievements associated with the current Phase II. The findings on the latter are supported by the tables included in Annex A. These compare the activities programmed in 2015 with the activities achieved by the end of 2017. This comparison shows that Phase II has addressed some of the issues flagged as challenges in Phase I. However, some challenges also appear to have remained unchanged.

One of these challenges is that in 2014 it had already become clear that the pillar structure had evolved unevenly: the revenue pillar had lagged behind most, while the complexities of the environment pillar were streamlined by coming up with the roles and responsibilities during the previous phase. Improvements in the current programme phase have related to scoping missions and collaborations. Another challenge is that a good part of the programmed activities for Phase II have (as of yet) not been completed. This is documented in Annex A, where the tables show mixed results for achieving the **Output indicators** that are expected to contribute to the **Component outcomes** specified for each of the three pillars. As was the case in Phase 1, there are various reasons for why some activities have been postponed or reprioritised. However, what appears to be missing is a risk-based approach to tracking down why it has not been possible to deliver programmed activities and, in future, to take lessons learnt into account.

2.3.1 Phase I (2009-2014) achievements

Building on the experience of the initial Norwegian O&G sector support to Uganda, Phase I emphasised putting in place institutional arrangements and building capacities to ensure well-coordinated and results-oriented resource management, revenue management and environmental management, as well as health and safety in the sector. A major challenge was posed by a serious case of corruption within the Office of the Prime Minister (OPM), uncovered at the end of 2012. This led to a freeze in Norwegian support and contributed to programme implementation progressing slower than had been planned.

According to ScanTeam's Review, Phase I achieved the upsides but also revealed the downsides captured in Table 2.

Table 2: Phase I achievements and challenges

<p>Programme Management</p>	<ul style="list-style-type: none"> • In terms of programme management, the ScanTeam report commended the Programme Secretariat, hosted by PEDP (now DoP), and the role of the PCC to address programme management and coordination tasks, including establishing dedicated officers to handle OfD Programme work in the Environment Pillar. • Producing a Communication Strategy was seen as a major achievement of Phase I, especially in light of the sector facing many and complicated issues.
<p>Resource management pillar</p>	<p><u>Upsides:</u></p> <ul style="list-style-type: none"> • Helped to develop legal frameworks and follow-on regulations aimed at ensuring the government can monitor and supervise the sector. Unfortunately, serious delays were experienced in getting respective laws and regulations approved. • Supported the evolution of the sector's institutional set-up, focusing on an independent petroleum authority (PAU), a strengthened petroleum directorate (PEDP) in the MEMD, and a state-owned oil company (UNOC). • Strengthened human resources in the PEDP and expected to provide the skills that these entities would need in the future. • Supported data recording and management, as well as estimating resources <i>in situ</i> and developing a sector investment strategy.

	<p><u>Downside:</u></p> <ul style="list-style-type: none"> • Areas of work that did not progress as expected included advancing a strategic approach to HSE and delivering a study on national and local participation.
Revenue management pillar	<p><u>Upsides:</u></p> <ul style="list-style-type: none"> • Finalised a Public Finance Bill, passed by Parliament in 2015. • Finalised the Petroleum Revenue Investment Policy in 2012. The policy was used to manage the emergent oil and gas revenues in the absence of an updated legal framework and also formed a basis for a chapter in the PFM ACT. • Chart of Accounts for oil companies was drafted and finalized. This document facilitates the categorization of expenditures and revenues of oil companies. • Ugandan Revenue Authority (URA), in collaboration with OilOTO, progressively and systematically developed the contents of the draft petroleum manual. At the end of the phase the different parts of the manual had been identified and topics for the different parts built over the period
	<p><u>Downside:</u></p> <ul style="list-style-type: none"> • The relationship between MPFED and the Norwegian Ministry of Finance weakened over the course of Phase I. This has born some implications for Phase II however there was urgency to draft the Petroleum Tax Manual which was completed in Phase II.
Environmental management pillar	<p><u>Upsides:</u></p> <ul style="list-style-type: none"> • Foundational studies were carried out, including a Strategic Environmental Assessment (SEA) a Capacity Needs Assessment, as well as reviews of Acts and Plans to take into account the impacts of the country's evolving O&G sector across various dimensions of environmental management. As conducting such studies and reviews was new to Ugandan stakeholders, they relied heavily on Norwegian and other partners' knowledge, methods and approaches. • Contributed to the formation of administrative networks across the pillar stakeholders leading to an improvement in collaboration and information sharing amongst the different institutions involved in Environment Management in Uganda. • ScanTeam report commented positively on organisational development, especially in relation to NEMA and UWA, and on human resource development through training and joint-learning.
	<p><u>Downsides:</u></p> <ul style="list-style-type: none"> • Most complex pillar faced challenges in achieving the institutional collaboration required to bring actors together and work with the national regulator NEMA (National Environment Management Authority) to carry out the foundational studies required to identify the issues this pillar should focus on and manage – "...NEMA...struggled at the beginning of the period in establishing its capacity and credibility as pillar manager". • Overall, this pillar was seen as remaining weakest, not least because of a) the considerable environmental challenges faced and b) the pillar's vulnerability to losing skills. Poor links were also noted between the national level entities and the local authorities and communities that are exposed to impacts on the ground. A particular risk are potential oil spills, which district-level actors would not be able to handle on their own.

2.3.2 Phase II (2015-2018) expectations and achievements

Phase II started off with the expectation that it would focus on the completion of the activities pending from Phase I. The three established pillars continued with the implementation of the outstanding activities programmed in Phase I, as well as taking up the new activities set out in the Phase II Programme Document.

Based on the interviews conducted for this Near-End Review and summarised in Annex B, Phase II has achieved closing out most of the pending Phase I activities. However, Annex A suggests that several of the Phase II activities have not progressed as planned and are likely to remain pending as Phase II draws to a close later this year.

Table 3 lays out the Phase II achievements as suggested by the interviewed stakeholders.

Table 3: Phase II commended achievements

<p>Resource management pillar, including safety component</p>	<ul style="list-style-type: none"> • The component workplans for this pillar have generally been delivered, albeit with some delays. The focus has been on the upstream and midstream segments of the sector. • Operational cooperation between Ugandan and Norwegian counterparts has generally worked well. The Norwegian side has felt that Ugandan counterparts have shown a high degree of ownership of the programme and its results. • The Ugandan side has especially appreciated the programme's support to the institutional development of PAU and UNOC, as well as sector-specific legislation. It has helped build the human capacity required to take decisions, deliver on their roles and responsibilities and strengthen the dialogue with IOCs. More specifically, the Boards of PAU and UNOC went to Norway to meet with relevant regulatory and commercial counterparts and whilst the UNOC board attended a data management meeting in Nairobi, Kenya. • To help develop legal frameworks, the pillar has drawn on inputs from external consultants, even though these are expensive. • As few other development agencies are active in this area, there has been no particular need for coordination. • The reflections on Phase I were seen as having helped to improve OfD Programme governance and management. The pillar recognises the role of the PCC and sees it as key to delivering coordination across the programme. • The communication strategy developed in Phase I is seen as having contributed to collecting more feedback from non-governmental stakeholders.
<p>Revenue management pillar</p>	<ul style="list-style-type: none"> • From URA there has been continued demand for the tax component of this pillar. This has included using the updated the Petroleum Tax Manual that was drafted in Phase 1 to address a range of issues, including; the recent developments in the tax laws, transfer pricing, accounting standards, Joint Venture management and administrative procedures. Covering both domestic tax law and the model PSA, the manual is seen as a means to help URA prevent revenue leakages resulting from gaps and deficiencies in the current tax legislation. • Achievements from the Ministry of Finance have included an MOU between MoFPED and BOU for the management of the PRIR, an oil revenue investment policy and respective Guidelines for the Investment Advisory Committee (Investment Advisory Committee Charter). However, approvals for the three documents is pending the formation of the Investment Advisory Committee. • Looking forward, the Ugandan side envisages a greater focus on the fiscal framework, and updating the modelling frameworks to incorporate oil revenues. Due to the Norwegian Ministry of Finance temporarily withdrawing its support for Phase II, this pillar also partly relied on inputs from consultants funded through the programme. For the upcoming phase however, commitment to involve a representative by the Norwegian Ministry of Finance means that collaboration will continue with the Ugandan side. • From UBOS, there has also been strong demand for the statistics component of this pillar: to capture the O&G sector in the national accounts, to develop a business register and to gather investment statistics from the IOCs. The relevance of collecting this information is recognised, although more still needs to be done to ensure the data is used by the relevant government ministries and agencies. • Cooperation and coordination across this pillar has improved, in particular between URA, OAG, MoFPED, URA, UBOS and BOU. The pillar benefits from a good

	<p>relationship between the Ugandan pillar manager and the Norwegian counterparts, manifested in regular intra-pillar meetings having been held.</p> <ul style="list-style-type: none"> • Pillar stakeholders recognise the role of the PCC in the overall management and administration of the programme. Especially, it has helped this pillar to overcome gaps in information that needed to be sourced from the IOCs.
<p>Environmental management pillar</p>	<ul style="list-style-type: none"> • NEMA has done its best and has many tangible outputs, e.g. 7 environmental laws awaiting Parliamentary endorsements. • The programme has supported NEMA and MDAs to coordinate the development of capacity for the management of environmental impacts, including in relation to preparing for potential disasters. Developing Oil Spill Regulations and completing a National Oil Spill Contingency Plan have been among the prioritised components. Coordination with related activities supported by other donor agencies has also been achieved (USAID, GIZ, WB). There is scope for better coordination to leverage synergies and complementarities. • The pillar has contributed to the work in the Safety component of the Resource Management Pillar, which delivered according to plan and respective which the collaboration between Norwegian and Ugandan counterparts has worked particularly well. Looking forward, it is suggested that this component becomes a self-contained pillar. • This pillar also recognised the role of the PCC for managing and administering the programme. But there are mixed views on the cooperation and collaboration between the various Ugandan authorities responsible for assessing, managing and mitigating environmental impacts, especially between NEMA and the MWE. • UWA much appreciates the capacity building and the support provided to develop monitoring tools and conducting studies to assess and manage the local-level conflicts between humans and wildlife triggered by the O&G sector. It is recognised that communication is critical, especially at the local level. • Similarly, NEMA commends the programme's significant impact on its ability to manage environmental issues. It feels strengthened in its ability to front up to IOCs. The MLHUP also endorsed the SEA work. • In turn, the UWA and the NFA perceive gaps in their mandates, capacities and capabilities to take forward the SEA work that was started in Phase I. The Permanent Secretary of MWE who delegated the coordination role of the pillar to NEMA receives reporting from NEMA regarding the project and MWE has been involved in several activities under the OfD Programme. There's however need for institutions to improve their reporting mechanisms to cover up institutional gaps and the MWE feels that this work should be broader and that it should have more ownership of the coordination process. A new Environmental Law is being developed under the OfD Programme with Norwegian support, which is expected to spell out more clearly the role of the MWE as well as those of other ministries and authorities that hold environmental responsibilities.

3 Near-End Review Results

This section lays out the result of the Near-End Review with the view to meet the objective **“to compile lessons and experience from the current Programme as a basis for inputs and recommendations to the new programme”**.

This review focuses on three **headline themes** underpinning the **critical issues** that have emerged from the interviews with Ugandan and Norwegian stakeholders. The more detailed results of these interviews have been captured in Annex B.

3.1 Headline themes and critical issues

The three headline themes are:

- The **Governance** of the programme;
- The **Delivery** of the programme, and
- Programme **Contents** and **Gaps**.

The columns of Table 4 sets out these themes, while the rows follow the programme’s pillar structure. By matching the critical issues raised in the interviews against the themes and pillars, Table 4 shows that some issues are pertinent to particular pillars, while others cut across the entire programme.

The remainder of section 3 elaborates on the critical issues following the order of Table 4’s matrix structure.

Table 4: Headline themes emerging from the Near-End Review

Pillar	Governance	Programme Delivery	Contents & Gaps
Resource Management		<ul style="list-style-type: none"> Inefficient design of annual work plan, budgets and reporting mechanisms; Cooperation and coordination between Ugandan authorities; Politically-driven dialogue with IOCs, entities need more technical confidence in IOC dialogues. Slow progress in developing HSE emergency plans and regulations 	<ul style="list-style-type: none"> Effectiveness of PAU and UNOC – although new entities no technical training is provided to these. But they are drawing human capacity from other entities; Individual capacity building increases mobility; hence new entities draw in capacitated staff, but ministries loose out: OfD Uganda is a <i>de fact</i> ‘capacity incubator’; PAU deficiencies in IT operation and equipment; Upstream focus vs increasing relevance of Midstream and Downstream.
Revenue Management		<ul style="list-style-type: none"> Application of tax manual to real cases and more training needs; Strong demand for statistics component, in particular in relation to gather information from companies; Pillar-specific better coordination with other donors active in this area. 	<ul style="list-style-type: none"> PSA cost monitoring and certification of auditors; More general structural challenges in comparability of Norwegian and Ugandan regulatory/fiscal regimes; same issue applies to role of OAG; (Lack of) Commercial acumen of government negotiators.
Environment Management	<ul style="list-style-type: none"> Significant progress has been made with regard to the development of the regulatory framework, however challenges with pillar coordination, collaboration and information sharing remain across the various entities involved that will be addressed in the new programme; Relationship and respective roles of MWE and NEMA which will hopefully be addressed in the new Environment Act; Mixed experiences with NEMA’s management of pillar and how this could be addressed. 	<ul style="list-style-type: none"> Environmental law still not approved, National Oil Spill Contingency Plan completed but implementation pending; In order to empower the execution of the National Oil Spill Contingency Plan, the regulatory environment was developed and considering that Uganda has yet to produce any oil this delay should not undermine its implementation, Delays resulting from slow disbursement of funds from MEMD to NEMA. 	<ul style="list-style-type: none"> Continuation of challenges around SEA, which some see as too narrow an wish to see more work and individual and institutional capacity building in this area and across the relevant MDAs; Gaps in land-use/ spatial planning and ESA/SEA monitoring IOCs; An increase in the participation of District Environment Officers in the districts most affected by oil and gas activities in training activities under the Environment Management Pillar of the OfD programme. There has been little coordination or capacity building outside of these districts though for on-the-ground impacts.
Cross-cutting themes			

Pillar integration	<ul style="list-style-type: none"> • Role and mandate of PCC – reporting vs planning; • Too much status reporting, less time spent on coordinated planning, resulting in implementation delays; • Too little management of risks in programme implementation; • Common rules and principles for management and disbursement of local funds. 	<ul style="list-style-type: none"> • Allowances (often confused with per diems that are strictly controlled by Government of Uganda Standing orders) – differences across pillars and Ugandan entities working in the same pillar – affecting choice of training activities undertaken; • Retention issues at ministries related to pay differences at agencies; • Work (over-)load. 	<ul style="list-style-type: none"> • Establishment of a stand-alone Safety Pillar and development of Emergency Response Plan – inherently involving several MDAs; few other donors active in this area; • Generally better coordination with other donors and their support to O&G sector. • Local content is an issue but lacking a system to track it – OfD provides no support in this area.
Other	<ul style="list-style-type: none"> • Communication strategy; • Disconnect between central government and CSOs. • Disconnect between central and local government 		

3.1.1 Governance

The Governance column of Table 3 flags two types of challenges: one particular to the Environment management pillar and the other cutting across the programme's three pillars.

- *Environment Management pillar*

This pillar faces a challenge around the **coordination, collaboration and information sharing** among the various MDAs involved. In particular, the relationship between the MWE and NEMA appears to be strained. However, anecdotal evidence points to a legacy issue related to the delineation of mandates between MWE and NEMA that predates the OfD Programme and which it is hoped the impending Environment Act will resolve. More specifically, while MWE formally represents this pillar they have delegated responsibility to NEMA which leads on, coordinates and manages the pillar activities and then reports back to the Permanent Secretary of MWE on a quarterly basis.

Interestingly, the **experiences with NEMA's pillar management have been mixed**. Some MDAs have appreciated NEMA's pillar coordination work, for example by lending NEMA recognition for addressing cross-sectorial environmental issues flagged in the SEA. At the same time, there are misgivings that capacity building has disproportionately benefited NEMA – possibly at the expense of the MWE and other MDAs that are also key to managing environmental impacts, including the Wildlife Authority (UWA) and the Forestry Authority (NFA).

Notably, a distinction was drawn between **capacity building for individuals versus capacity building for organisations** with the aim to achieve better cross-sectorial and stakeholder coordination and collaboration – see Figure 4 which outlines the different dimensions of capacity, together with the different considerations which apply in relation to acquiring capacity, and then ensuring it is effectively and efficiently utilized and retained. From an individual capacity building perspective, training contract staff has been flagged as unsustainable because of the risk that such staff might move on to work elsewhere. However, if one addresses it from a sector perspective the OfD Programme is building capacity of a competitive workforce in a fledgling sector and thus acts as a 'capacity incubator' supporting all aspects of the sector – discussed further in Section 4.2.8. Especially for this pillar, it has been flagged that capacity building should achieve better cross-sectorial and stakeholder coordination and collaboration.

- *Cross-cutting governance issues*

The key cross-cutting governance issue is the **role and mandate of the PCC**, which several interviewees have commented on. In general, the existence of the PCC has been appreciated and its role as such has been perceived as valuable. Not least, in the context of the tensions between the MWE and NEMA, the PCC mandate has been viewed as a solution that could be further exploited to address this pillar-specific challenge. The importance of PCC's role was especially stressed by representatives from entities that observe on the side-line the coordination and collaboration challenges of the Environment pillar. The PCC also received positive mention for its effectiveness in enabling access to information from the IOCs and for providing a forum that has served to exchange information, encourage transparency and devise communication strategies.

At the same time, there has been criticism of the PCC's **overt focus on backward-looking status reporting at the expense of forward-looking planning**. In particular, it has been lamented that the PCC has not (yet) embraced a risk management approach, flagging potential risks to implementing programmed activities and concurrently identifying mitigating measures. For example, such measures could include improving activity-specific coordination and collaboration and ensuring the timely availability of funds to purchase required inputs. The undercurrent picked up from the interview is that the **PCC should play a stronger role** in driving the implementation of

annual work plans and budgets, flagging and managing implementation risks, and designing a more dynamic reporting mechanism.

The issue of **fund management and disbursement**, in particular of local funds, has received several mentions. On the Norwegian side, there is the perception that poor management of local funds has contributed to delays in implementing activities as set out in that respective pillar work plans and that respective mechanisms could be designed more efficiently, including abolishing local funds altogether. Whilst this perception does not suggest any impropriety, nor is it the prerogative of the Norwegian counterparts to suggest the Government of Uganda changes its public finance management procedures, it does point to the slowness of the funds management process. The management of all funds – Norwegian or otherwise – requires that certain procedures are adhered to as part of the Ugandan government’s financial management rules. To address this, the Programme Manager requires that two weeks’ notice is given for any funds request – see Box 1 below. A lack of adherence to this request can result in apparent delays however this is not poor management but rather reflects poor planning of those submitting funding requests. At the same time, it has been recognised that work plans and implementation mechanisms cannot be designed too rigidly, as some flexibility would invariably be necessary, not least to ensure *ad hoc* assistance can be provided if and when required.

Box 1: Funds disbursement outline

Workplans are discussed with the RNE Kampala at an accounts meeting. Annual workplans are drawn at Annual Meetings which are further developed into more refined quarterly workplans. The request for the funding of the quarterly workplans should then be **submitted at least 2 weeks before funds are needed**. The request for funds is sent to Programme Manager (PM) and the Programme Administrator and subject to the activity being verified on the workplans, the PM instructs payment process to proceed, **it follows the GoU regulations**. At this stage all funding requests are submitted to the Permanent Secretary (MEMD) as the accounting officer who in turn then instructs OfD to complete the paperwork. Subject to compliance with the 2 week submission, if paperwork and processes are followed, payments can be made within 2 weeks. This is subject to the internal auditor being involved in the process and verifying the activities are as planned. Whilst it might appear bureaucratic, the processes need to be followed, as they are necessary to comply with the Ugandan financial systems and this cannot be ignored.

In contrast, on the Ugandan side, the more dominant perception is that that **rules and principles for managing and disbursing local funds** are not sufficiently clear, or – again reading between the lines – that the rules and principles in place are not applied in a consistent manner. However the principles of managing and disbursing funds are in line with the treasury accounting instructions of the Government of Uganda which are consistently applied despite perceptions to the contrary. One suggestion is that the OfD Secretariat should play a greater role in applying common rules and principles – possibly with the intention that local funds disbursements would become more of a de-personalised administrative procedure, as opposed to it being viewed as decisions that hinge on personal and/or institutional power relations. Whilst no hard evidence could be found regarding this perception, the OfD Programme Secretariat felt that the requirement for submission of accountability (a requirement of the Uganda PFMA) after implementation of an activity is met with inconsistent compliance that could be perceived as inconsistent application of programme funds management.

Another, although arguably a more specific, governance issue pertains to the Communication Strategy that Phase II is expected to deliver as an activity that pertains to the Resource management pillar. Notably, in Phase I the PCC and the OfD Secretariat were responsible for the subject of communication and, as noted in Table 2, it was highlighted as one of the upside achievements of this phase. Despite this, the ScanTeam Phase I Review suggested to move this subject to the Resource management pillar. What has been highlighted as missing in the current arrangement is the assignment of a dedicated person overseeing the Communication Strategy

from the perspective of all three pillars. Several comments have stressed the importance of the Communication Strategy not only for the Resource management pillar, but also for the Environment and the Revenue management pillars. This is dealt with further under the recommendations in Section 4.2.7.

A further perceived gap is **communication with the local level**, especially with regards to HSE issues and the National Oil Spill Contingency Plan. At least in part, this challenge arises from MEMD's lack of representation at the district level and an apparent communication gap between central government MDAs and locally-engaged CSOs. This shortcoming was acknowledged, however the suggestion was that the programme needs to allocate more funding in order to fully engage with CSOs and local government in this regard and the OfD Programme would benefit from more dedicated funding in this regard.

With regard to the CSOs, whilst there were a number of inputs to the consultation meeting from various perspectives, a clear observation was that CSOs need to urgently develop 'one voice' on oil and gas matters. Currently, the differing opinions make it difficult to know what the actual issue is at hand and CSOs were advised to develop a broad dialogue platform where broad areas of common interest can be agreed and that become a united front to address oil and gas issues with the authorities. This will help mitigate the risk of having 'not been heard'.

However, judging between the lines of the interviews held with representatives from CSOs and AGODA, the actual challenge may be more fundamental than merely poor implementation of the communication strategy: those locally impacted by the O&G developments feel that they are not sufficiently supported to prepare for the management of local risks and for seizing potential local opportunities. These risks and opportunities include, for example, managing local environmental impacts, royalty payments destined for the district level, sector-induced impacts on land (use) management and local-local content and/or other economic opportunities.

Viewed more fundamentally, these misgivings reflect the assumption implicit in the OfD's ToC that sound policies and legal and regulatory frameworks approved and implemented at the central government level will somehow automatically take care of local-level corporate environmental and corporate social performance issues. In addition, there is also the implicit assumption that conducting an SEA provides a sufficient baseline and management tool to complement national-level policies and legal and regulatory frameworks. However, expert opinions are divided whether these two assumptions hold in practice, especially in countries where political-administrative systems and capabilities are skewed towards capitals and transparency and accountability are not institutionally embedded, and where decentralisation processes have only been introduced more recently.

3.1.2 Programme delivery

The Programme Delivery column of Table 3: Phase II commended achievements shows challenges across all three pillars.

- *Resource Management pillar*

Starting with the Resource management pillar, this pillar entails the largest number of components, as shown in Table 1. This may explain why several interviewees felt that there is scope for **better cooperation and coordination between the Ugandan authorities** implementing the components. The obvious challenge is that there are two new entities, PAU and UNOC, and that their establishment has led to personnel movements from MEMD, not least because of the better remuneration they offer to individuals with the respective human capacities. Another issue flagged

in the context of these two new entities is the sharing/transfer and management of petroleum data, which the next OfD programme phase is expected to tackle.

Interviewees from this pillar have also mentioned that the pillar's **annual work plan could be better designed**, first, with the view that the activities conducted actually meet the expectations associated with them. But also, second, to improve their timely delivery and management of related risks, including those pertaining to procurement and budget management. IT and related equipment issues have also delayed delivery.

The Norwegian interviewees have commented positively on the high levels of competencies among the Ugandan stakeholders of this pillar and the good collaboration between Ugandan and Norwegian counterparts. But they have also highlighted that in the **dialogue with IOCs remains political-driven**, as opposed to the Ugandan stakeholders having the courage to front up to IOCs on the basis of their technical expertise.

- *Revenue Management pillar*

The programme delivery issues for the least comprehensive Revenue Management pillar are threefold. First, building on achievements of the tax component, the petroleum **tax manual needs to be updated whenever tax policy changes occur** and there are persistent training needs, in particular with respect to transfer pricing, international taxation and carrying out tax audits of upstream oil and gas companies. This will be the OTO's focus in a new programme and is suggested as out put in the LogFrame/ objective hierarchy.

Second, there is **strong demand for the statistics component**, in particular in relation to gathering relevant information from companies. In addition, as the focus has so far been on the Upstream. There is a perceived need for this component to also better capture Midstream and Downstream activities (EACOP).

Third, as there are others active in the area of resource revenue management, it is felt that **better coordination with other donors and international organisations** should be aimed for, not least to leverage on synergies and complementarities.

- *Environment Management pillar*

Key delivery challenges that the Environment management pillar faces are a) progressing the **oil spill emergency and other environmental plans** to implementation and b) seeing through the finalisation and approval of the **National Environmental Law and associated regulations**, including oil spill regulations.

The first of these two challenges is a concern for the Norwegian side, who sees as the problem as a perceived lengthy payment process as discussed in Section 3.1.1 and fraught collaboration and coordination among the various Ugandan stakeholders. However, on the latter point, it would appear that proactive involvement of the NEMA Executive Director has improved the situation. Ugandan stakeholders have also flagged that delays in the release of funds from MEMD to NEMA have undermined the pillar's ability to deliver. However this perception was clarified as funds have been released in time for the past two years from MEMD but the delay has been as a result of the accumulated time lost in transferring funds from MEMD to NEMA and then to the implementing Institution. But additionally, Ugandan pillar stakeholders seem more concerned about the new Environment bill not providing sufficient clarity on the roles that pertain to the various authorities, how these are delineated and how these roles would be coordinated. This suggests, that even with the new Law and respective regulations approved, coordination and collaboration across all the relevant stakeholders will still remain an issue.

Concerns have also been expressed over the **coordination of the National Oil Spill Contingency Plan**. At one level, there would appear to be misgivings about the role NEMA plays versus that of the MWE. At the same time, if it were given this task, there are concerns about MWE's ability to manage this plan, given that NEMA is also struggling with this despite its better human and political resources. The primary issue affecting the development of the National Oil Spill Contingency Plan has related to its broad impact and cross cutting nature – an oil spill could affect water ways, forest areas, wildlife etc. – hence the need to locate it where there is significant convening power to ensure that all affected parties can be mustered in the event of an oil spill. It was decided that the OPM has the best convening power in this regard due to its role in disaster management and hence the development of the National Oil Spill Contingency Plan is now housed at the OPM – Department of Disaster Preparedness and Response. NEMA remains involved in collaboration with the OPM. It should be noted that the National Oil Spill Contingency Plan despite its advanced level of preparation, still falls short of successful completion from a review perspective as its indicator for success is “The National Oil Spill Contingency Plan has been approved and published.” The issue of indicators will be raised in the recommendations.

It is worth highlighting that both Ugandan and Norwegian stakeholders felt there is scope for better coordinating pillar activities with other donors who also support improved environmental management. But the OfD programme is given credit for drawing attention to the issue of environmental management in the first place. At the same time, it is felt that other donors also make valuable contributions, and that some of these are perhaps suited better to the Ugandan context than the specific Norwegian experience. The coexistence of O&G sector with tourism and wildlife management has been mentioned as an example.

- *Cross-cutting issues*

Among the cross-cutting issues affecting programme delivery is that of **allowances**, or rather the differences in allowance payments across the Ugandan entities working together within the same pillar. These differences are not only resulting in misgivings, but also in skewing incentives as to which activities are undertaken and how allowances are perceived as an incentive to perform better. Consequently when there is no allowance (or “insufficient”) paid, this was suggested as a reason for some people choosing whether to attend a training or not. The OfD programme does not pay allowances and these have to be funded from the relevant entity at which the individual is employed. Associated commentary mentions work overload resulting from OfD responsibilities. More fundamentally, there are concerns over the **retention of ministerial staff trained under the OfD programme**, who are observed to be leaving for better pay and working conditions in the newly created O&G sector agencies/state owned entities (PAU, UNOC) and the environmental authorities (UWA, NFA).

3.1.3 Contents and Gaps

- *Resource Management pillar*

Moving onto the last column of Table 4 highlighting the critical issues in relation to programme contents and gaps in coverage, the resource management pillar sees the **effectiveness of PAU and UNOC** as a challenge. While these two new entities have drawn human capacity from MEMD and other government entities, they are not themselves benefitting from technical capacity building. Instead, employment with the ministries where capacity building is provided is seen as a springboard to later access better paid job in these entities. However, this bears the risk that the ministries are left lagging behind the authorities that they are meant to oversee. A fundamental concern is that the newly established entities themselves may not deliver the outcomes associated with their presence in the sector. An operational concern is that PAU specifically has not yet been

equipped with the necessary IT infrastructure to resume its mandates, e.g. to manage and analyse petroleum data.

Another gap identified for this pillar is its narrow focus on the Upstream aspects of the O&G sector, leaving aside the **Midstream and Downstream aspects** that are of increasing relevance to Uganda in the context of the EACOP and associated industries.

- *Revenue Management pillar*

For this pillar, two major gaps have been stressed. One pertains to the responsibilities of the Ugandan Office of the Auditor General (OAG) to **monitor the costs recognised under the PSAs** signed under the Ugandan legal and regulatory framework for the O&G sector. The Ugandan side sees a gap in that the Norwegian concessionary system does not face this issue in the same way. In addition, the role of the Norwegian OAG is stated as being different from that of the Ugandan OAG. This leads not only to the suggestion that the Norwegian counterparts do not have the relevant experience to support their Ugandan colleagues, but also that the **Ugandan auditors require certified training** to enable them to carry out their duty to establishing what the “cost oil” is that can be retained under the PSA arrangements. The suggestion is to allow for the provision of such training under the OfD programme and for such training to be delivered in Uganda.

The second gap pertains to additional concerns about the comparability of the Norwegian and the Ugandan legal, regulatory and fiscal regimes, and whether therefore the advice and solutions provided by the Norwegian counterparts is necessary suited to address the challenges the Ugandan authorities are facing. An example mentioned is the technology suggested for collecting and managing sector specific fiscal, trade and business data. Mention has also been made of the Dutch experience better matching the Ugandan context and whether this could be accessed through the OfD programme.

Finally, from the perspective of IOC representatives, the Ugandan negotiators display a **lack of commercial acumen**. They conduct negotiations with either a political or a narrow technical agenda in mind. But what they should be aspiring to is to achieve a good and stable deal for the country that is acceptable for those seeking to develop commercially sound projects. The IOC’s suggestion is that the OfD programme should fund an embedded ‘old hand’ advisor within the Ugandan Government to provide first hand advice on commercial negotiations.

Reading between the lines, the IOC’s comments reflect **impatience with the Ugandan approach to exercise caution** and proceed at a slower pace than they consider warranted in order to capture commercial opportunities. There is an undercurrent questioning whether Norwegian support focuses on the right issues. It suggests that rather than focus on technical learning aimed at ensuring the sector is well managed in the future, support should be focused on getting commercial projects off the ground more quickly. Invariably, this suggestion comes with the risk of making mistakes. From the IOCs’ perspective making mistakes should be seen as opportunities to learn. However, it is less clear whether this perspective recognises the potential political costs of such learning-by-making-mistakes, especially in the context of a PSA based-system, where demanding renegotiations of agreements at a later stage (to correct mistakes made) is more difficult than perhaps reviewing and improving laws under a concessionary system.

- *Environment Management pillar*

The challenges with the contents and the gaps in this pillar focus around two interrelated issues. The first is a certain level of **dissatisfaction with the SEA work** completed in Phase I and expected to be implemented in Phase II. Some see this work as too narrow in scope and would like it to be more comprehensive. A particular ministerial concern, that if anything goes wrong it

would be the Ministries that would be held to account, rather than NEMA or any of the other agencies that focus on more narrowly defined impacts – this perception has been challenged as these are Government Agencies established by law. On occasions where these MDAs have failed, they have been held accountable through legal channels but hope was expressed that the impending Environment Act would clarify roles and mandates and resolve some of these issues. At the same time, there is recognition that the SEA conducted has so far been the most comprehensive carried out in Uganda. The Ugandan MDAs are clearly self-aware that they are trailing behind the IOCs and their systems on anticipating, mitigating and managing local impacts. For example, they see gaps in their ability to conduct spatial and land-use planning in a way that supports the co-existence of different sectors, as opposed to a dominant O&G sector hurting other sectors.

The second, related challenge is expressed as **concentration of support provided to central government authorities, but no support lent to local government entities** who are (and will need to) deal with the direct and indirect on-the-ground impacts of the sector. For example, in case of an oil spill, the environmental impacts would be felt at the local level where the respective authorities at the district level would neither be prepared nor empowered to deal with these. This concern flags the potential limits of predominately targeting national-level ‘island of efficiency’, i.e. “NEMA, at the expense of addressing public sector capacity gaps at the local impact level”. It should be noted however that many of the national institutional capacity building efforts have resulted in regulatory and management frameworks within which local players are defined and mandated and in some instance empowered by law – these efforts are recognised as essential building blocks for the development of the sector and its effective management – the issue being raised is a more forward looking one as to what efforts will now be made to build capacity at a local level where many of the impacts of the oil and gas sector are actually felt.

- *Cross-cutting issues*

There are three issues mentioned as gaps across the pillars. First, there is perceived need to establish a stand-alone **Safety Pillar**, which can take forward the development of **emergency response plans as they relate to the occupational environment**. It is clear that the issue of safety involves several government MDAs, adding to the complexity of stakeholders, which already poses challenges for coordination within the Environment management pillar. Less clear is which government entity should be leading this pillar: the Ministry of Labour, the PEPD, or PAU? The Petroleum law assigns PAU the responsibility to look after sector-related occupational safety while the Ministry of Gender, Labour and Social Development has jurisdiction for general occupational related health and safety and would likely be best positioned to lead the Safety Pillar. Also, it has been noted that there are few other donors focusing on this issue. Therefore, it is seen as all the more important that the OfD programme covers this issue.

Second, across the pillars there is a sense that **better coordination with other donors** also supporting the Ugandan authorities on issues related to the O&G sector would allow for better leveraging the programmes support, perhaps also by focusing on those issues and challenges where others have less to offer. At the same time, it would mean a) withdrawing from issues where others are better placed to lend support, e.g. Dutch support on PSA cost oil management under the revenue management pillar, or b) collaborating with others whose support is complementary, e.g. the IMF’s support on oil revenue forecasting.

Finally, there is recognition that the **OfD programme does not cover the issue of Local Content**. Or, more broadly speaking, it does not address leveraging potential opportunities for other sectors associated with developing the O&G sector. At the same time, no mention has been

made of the positive Norwegian experience in this area bearing direct relevance for the rather different Ugandan context.

3.2 Further observations

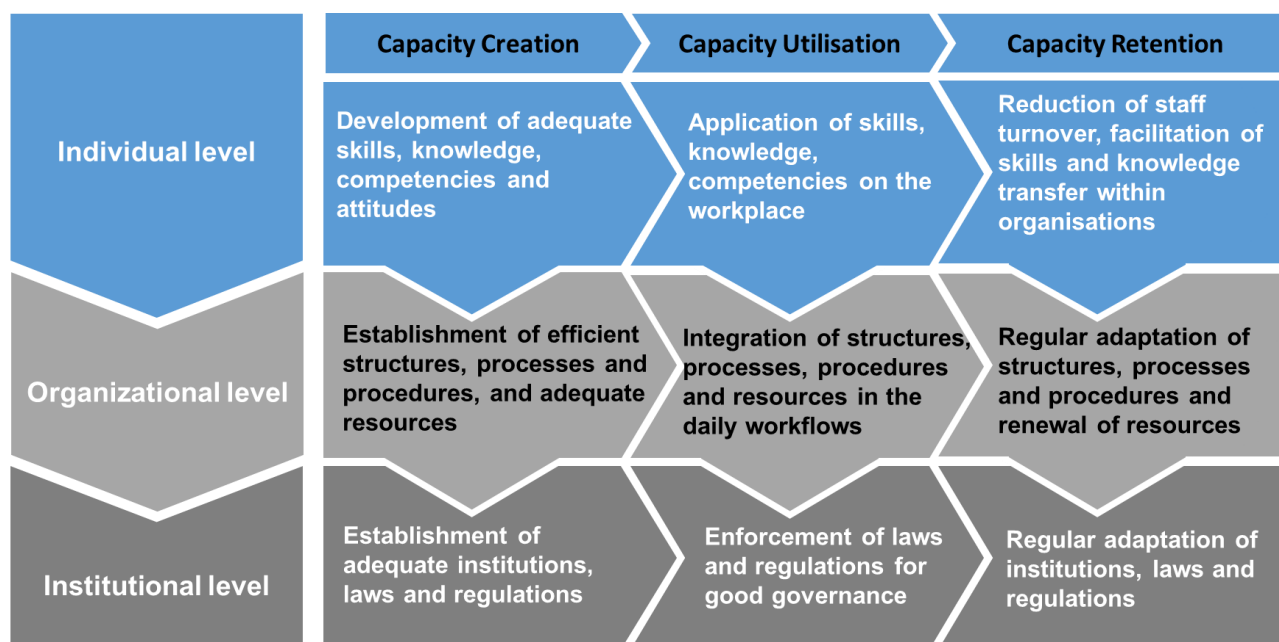
Before proceeding to the conclusions and recommendations for Phase III, it is worth highlighting two further observations that bridge the programme's logic, ToC and achievements captured in Section 2 with the headline themes and critical issues set out in Section 3.

The first observation concerns an apparent gap between (i) the **high-level operation goal** to put in place institutional frameworks and capacities that ensure well-coordinated, results-oriented and accountable management of the O&G sector' which stresses *institutional capacity building* (see Table 1) and (ii) the programme's implicit emphasis on *building individual capacity* as captured by the component output indicators set out in the tables in Annex A, which are predominately defined as '*advice and training provided/ received*' in the expectation that it will lead to the development of laws, regulations, manuals, standards etc. This implicit emphasis on building individual capacity benefiting staff employed by key sector and sector-related MDAs assumes that the skills, knowledge and competencies of these beneficiaries will invariably lead to the utilisation and retention of capacity at the organisational level of the respective MDAs and the institutional level of the sector.

However, a significant proportion of the interview commentary focused on who does (or not) benefit from capacity building delivered for which MDAs and what benefits this delivers to respective individuals (e.g. better paid job opportunities with PAU, UNOC). At the same time, concerns were also raised whether the mere creation of the respective new sector organisations and their recruitment of trained individuals will lead to the high-level envisaged outcomes and the high-level impact objective to which the programme seeks to contribute.

To perhaps further guide the programme's thinking about capacity building, Figure 4 offers a comprehensive view on the inter-related factors which together constitute MDAs' capacity to achieve envisaged objectives. These factors include not only the skills and competencies of individual staff members and groups of staff captured in the top-left-hand corner, which can, if necessary, be enhanced through training and other personal development interventions, such as the peer-to-peer mentoring provided by the OfD programme. These factors also include, as highlighted by Figure 4 as a whole, the systems, processes and resource levels of the MDAs, and the institutional framework of sectors powers, authority and responsibilities which provide the arenas within which capable individuals operates. Possible options are discussed later under the recommendations – see Section 4.2.8.

Figure 4: Inter-related factors that influence the capacity matrix



Rather evident from the top-half of ToC Table 1, the OfD programme is not merely concerned with capacity created at the individual level, but also at the organisation and institutional levels. Ultimately, it is these that are critical whether the impact objective of Uganda using its resources in an economically, socially and environmentally sustainable manner. Picking up on this first observation, Section 4 includes a recommendation for Phase III on how possibly to improve the definition of the output indicators associate with the various pillar components.

The second observation build on the first and concerns the breadth of what lies beneath the programme’s high-level impact objective, its operational goal and its expected high-level outcomes in relation to the depth into which individual pillar components need to go in order to achieve their many sub-outcomes. This observation picks up on the brief commentary included in sub-section 2.2.3 that the programme’s ToC makes a big leap from the pillar-specific sub-outcomes and sub-outputs of the more than a dozen components to the high-level expected outcomes. This observation raises the question whether for Phase III it would be worth considering – not least in light of potentially better coordination and collaboration with other donor efforts focusing on improving resource sector governance and management – to narrow in and go for depth respective of a smaller selection of those components. This would be the view to better linking the expected outcomes and outputs of the selected components to the programme’s high-level outcomes. A respective Phase III inception phase could be used to narrow down and focus the pillar components.

4 Conclusions and Phase III recommendations

4.1 Conclusions

This Near-End Review has been conducted with the objective **to compile lessons and experiences from the current Phase II Uganda OfD programme as a basis for inputs and recommendations to the new programme**. First, the report has laid out the programme's context and logic, capturing the Ugandan actors acting in and around the sector, the governance and management arrangements and the ToC of the programme as well as capturing the programme's achievements in Phase I and the current phase.

Phase I cast a broad net, emphasising to put in place institutional arrangements and building capacities to ensure well-coordinated and results-oriented management of the sector. It established the three-fold pillar structure, while already flagging that a fourth pillar on (health and) safety may be warranted. As set out in Table 2, Phase I contributed successfully to achieving several of the fundamentals that the Ugandan O&G sector required in the period from 2009 to 2014.

Phase II set off completing activities that were pending from Phase I, in part due to the circumstances at the time that led to a freeze in Norwegian support and contributed to slower than expected implementation progress. At this point in time, it would also appear that the close out of Phase II will not substantially differ from that of Phase I; namely, that several activities will remain pending¹, but without a clear picture arising what the risks were this time round that have led to the delay, especially considering that in a number of instances, the metrics for determining success against the stated indicators were unclear.

In terms of compiling lessons and experiences from the current Phase II, the following key achievements have been commended:

- **Programme Management:** At a programme level, the majority of interviewees expressed appreciation for the role of the PCC. Despite its fairly bureaucratic status reporting function (albeit line with the Programme document guidelines), it was felt it had facilitated better coordination for the programme. Further commentary about possible revisions for the role of the PCC can be found in the recommendations that follow. In addition, the combined results of the three pillar outputs have strengthened the regulatory framework for the oil and gas sector although the integrated impact of the various outputs are only expected to be felt into the next phase and beyond.
- **Resource Pillar:** Operational cooperation between Ugandan and Norwegian counterparts has generally worked well, with a high degree of Ugandan ownership of the programme. This pillar's achieved outputs making it the most successful pillar of Phase 2. There was noted appreciation of the programme's support to the institutional development of PAU and UNOC, as well as sector-specific legislation. It has helped build necessary human capacity, and strengthened the dialogue with IOCs. In addition, it was felt that whilst still evolving, the communications strategy was bearing fruit and should benefit from more attention in the next phase. The attention of this pillar paid to the Safety component has resulted in a suggestion that this component becomes a self-contained pillar as it deals with occupational environment with regard to health and safety as distinct from the natural environment which is the focus of

¹ See Annexes A1, A2 and A3

the Environment Pillar – which aligns with the OfD theory of change applied more generally outside of Uganda.

- **Revenue Pillar:** This pillar has improved coordination and strengthened its working relationship with the Norwegian counterparts. There has also been capacity building at MoFPED on fiscal regime, petroleum sector model, Input to macro-economic model etc. There has been continued demand from URA for the tax component, including drafting the Petroleum Tax Manual to address a range of issues (e.g. transfer pricing, accounting standards, JV management and administrative procedures). Covering both domestic tax law and the model PSA, the manual is seen as a means to help URA prevent leakages resulting from gaps and deficiencies in the current tax legislation. In addition to the tax capacity building, improved capacity regarding the collection and usage of oil statistics by UBOS was achieved and inclusion of the oil and gas sector into the national accounts is being progressed. Indeed, the statistics component has been one of the most active in phase two and the pilot of the oil and gas investment statistics has progressed well, and now awaiting UBOS approval before finished – covering topics as national accounts, business register etc.
- From the Ministry of Finance side, Laws and regulations in regard to oil revenue management have been strengthened, key focus has been on drafting the Petroleum Revenue Investment Reserve (PRIR) Management agreement, the Petroleum Revenue Investment Policy and the Investment Advisory Committee Charter. In addition, capacity was built among staff in areas such as oil revenue forecasting to enable proper macroeconomic planning that ensures economic stability amidst oil revenue flows as well as the fiscal regime, inputs to the macroeconomic model and a petroleum sector model.
- **Environmental Pillar:** Specific mention was made of the role of the programme in supporting the development of the disaster risk management instruments and the impending environment legislation. The Environmental Regulatory Agencies have benefited from the capacity building, despite concerns regarding the overall coordination of the pillar. In particular, UWA gained from the capacity building and the support provided to develop monitoring tools and conducting assessments and managing human and wildlife conflicts.

Against these achievements, Section 3 has captured a set of critical issues grouped under three headline themes: governance, programme delivery and contents and gaps.

- **On Governance:** the Near-End Review found that the Environmental management pillar faces challenges from difficult intra-pillar coordination, collaboration and information sharing. A cross-cutting issue, flagged not least also to address this pillar-specific challenge, has been the role of the PCC. While appreciated, this role was found to have scope to play a more monitoring, evaluation and learning (MEL) function to more effectively manage implementation risks on an ongoing basis. Another cross-cutting issue is the disconnect between central and local government entities and between government and CSOs - although these issues are not expected to be addressed by the activities of the programme.
- **On Programme Delivery:** in general there was a positive tone regarding the delivery especially with regard to the ownership of the various aspects of the programme and the pace/impact of delivery once funds were available. Whilst the bureaucratic funds disbursement, fundamentally informed by the Ugandan finance rules, may help avert fund mismanagement, it was also identified as a challenge by most Norwegian and Ugandan interviewees and flagged as a significant impediment to delivery and efficiency. There seems to be a close relationship between the planning of activities and the request for funds as the current procedures require a two-week notice period before funds can be released precisely to deal with the lengthy process. However, when requests are left “to the last minute” then this adds to the perception

that the release of funds is a challenge when in fact some of this could be improved by better planning. Another challenge is that Ugandan public finance rules require that recipients of funds must be able to account for expenditure before further funds can be released – this is difficult where parallel tasks are reporting in a non-sequential manner. This was highlighted with regard to the disbursements of funds to NEMA from MEMD and some interviewees felt that had the Norwegian cooperation been directly with the MWE, this might have made for a more seamless although one cannot definitively say there was consensus on this approach – see further comment in Section 4.2.5. Finally, the perennial issue of allowances (often confused with per diems) was raised and suggested as one aspect of the underperformance as limitations on payment of per diems affects the commitment of staff to attend capacity building events – a situation exacerbated by the different per diems amounts between the ministries and their line agencies.

Table 5: OfD Uganda Results Quantified – planned/completed against the indicators

Pillar	Complete	Incomplete	Total Planned	% completed
Resource	17	19	36	47
Environmental	8	13	21	38
Revenue	2	3	5	40
Overall	27	35	62	43

Source: Annex A1, A2, A3

The table above paints a rather unfortunate picture in terms of what was delivered against the indicators (where these could be accurately assessed – see recommendations) and is drawn from the results matrix in Annexes A1, A2 and A3. The performance of the project against the indicators does not tell the story that was apparent during the interviews and whilst much has been achieved, it is difficult to correlate that with indicators that do not measure supporting inputs but focus on final outputs – again refer to recommendations in this regard. In short, of the 62 activities planned over the period of the project, 27 (43%) were completed against the indicators but where possible the report reflects some narrative as to what the extent of the inputs to date. A number of outputs had vague or no indicators and from the supporting documentation such as PCC minutes etc. some were assessed to have been incomplete – suggesting a need for a stand-alone activity tracker that can be easily accessed and evaluated on an ongoing basis by the PCC so that there is awareness of what is complete and what is not, a recommendation related to the PCC in this regard is discussed later.

- On Contents and Gaps:** new institutions such as PAU and UNOC are drawing away newly built capacity but need their own specific training, whilst capacity building increases mobility and OfD Uganda should be viewed as a ‘capacity incubator’ with ongoing capacity building. There has been much individual capacity building that needs to now be upskilled with practical training through deployment for monitoring, enforcement etc. The current OfD focuses on the upstream but there is increased attention to the mid/down-stream. OfD Uganda may need to assess this in terms of the broader ToC of the OfD programme more generally. There are also some high profile gaps in the capacity building to date, namely the urgent need to train the OAG to develop cost auditing skills due to the nature of the PSA regime – Norway focuses on cost auditing from a tax perspective and may need to outsource to other jurisdictions that also use the PSA as a policy instrument. Another area calling for attention, but which is more contentious, is the development of keen and ‘streetwise’ commercial acumen for negotiating with the IOCs. Here, OfD have a strict policy of not getting involved, because of the risk of potential conflict of interests should Norwegian companies get involved in the Uganda O&G sector in the future. From a broader perspective, the CSOs felt that there was insufficient transparency with regard to the outputs such as the SEA as well as broader issues of land-use/

spatial planning and monitoring of IOCs against their EIAs and where the central government is perceived as fallen short on expectations.

4.2 Phase III Recommendations

The Near-End Review points to six recommendations that may be considered for the design of Phase III:

4.2.1 Realigning the role of PCC

Although not visibly endorsed by the Norwegian stakeholders, the Ugandan stakeholder have valued the role of the PCC, while at the same time highlighting that its role could be strengthened: it should focus less on lengthy and backward-looking status report, but instead adopt a more forward-looking and dynamic approach that emphasizes the delivery of programmed activities according to the respective pillar's annual work plan. Importantly, this should include adopting a risk-based approach to forward planning and track activities with the view to improve monitoring of programme implementation. The modus operandi should be such as status reporting is compiled and distributed ahead of meetings and taken as read, so that meeting agendas can focus on activities that are delayed, and why, and what can be done to mitigate the risk of further delays. Develop a respective live reporting and tracking template to focus attention on the essentials prior to and at meetings could be helpful.

4.2.2 Streamlining pillar components

The argument here is that, as the start of production is now featuring on the horizon, the OfD programme could afford to narrow its focus and streamlining pillar components on those subjects respective which is most valued and found valuable. This could include shaping the pillar components more towards a call-down facility, where the Ugandan side is assigned more responsibility to plan ahead and propose what support it would seek to solicit when and how. This slightly altered modus operandi could perhaps support a narrower set of pillar-specific component outcomes, but to link these more tightly to the programme's high-level expected outcomes set out in the top part of the programme's ToC (see Table 1). Among the most appreciated subjects are certainly the safety component, the SEA work, and the tax and statistics component. Streamlining pillar components could go along with the potential reduction of local funds and the establishment of a call down facility for funds not disbursed, thus also shifting more responsibility onto the Ugandan side to call down Norwegian support and to specify respectively required budgetary contributions on the Norwegian as well as the Ugandan side (see also 4.2.4). The possibility of calling on non-Norwegian technical support may also be considered for those subjects where this may be warranted due to differences in the two countries sector-specific legal, regulatory and fiscal systems.

4.2.3 Improve definitions of key success indicators

As discussed above, the programme suffers from poorly defined output metrics across all of the components of the three pillars. It is recommended that Phase III programme should define component sub-outputs more explicitly with the objective that the metrics tracked measure success more pragmatically and reporting is done against the envisaged component outcome with a narrative added only when there is the need to explain non-achievements and/or delays.

For example: the envisaged output to develop and put in place an Emergency Response Plan (ERP) should be consistently reported as either 'achieved' or 'not achieved', with a narrative added only where there is a need to explain underachievement, i.e. what is causing 'not achieved' and

what efforts are being undertaken to manage this risk. Table 6 provides an example to illustrate this recommendation. This illustration makes clear that if by Q4 the respective ministry had not published the ERP on its website, this output would have continued to be flagged as 'not achieved'.

Table 6: Example for suggested improvements to defining output metrics

Output	Q1	Q2	Q3	Q4
ERP published	Not achieved: <ul style="list-style-type: none"> • TOR issued • Q4 deadline for delivery 	Not achieved: <ul style="list-style-type: none"> • Consultant engaged • Assignment inception meeting held • Workshop attended by ... 	Not achieved: <ul style="list-style-type: none"> • Draft report accepted by Ministry • Final report delivered for approval by Ministry • Risk: the ministry delays approval – mitigation = arrange workshop with ministry to brief on the ERP and nurture ownership and thus improve chances of quick approval 	Achieved: <ul style="list-style-type: none"> • ERP in final report approved by Ministry • ERP published on Ministry website

It should be noted that the above recommendation cannot be addressed without the issue of indicators being more strategically determined. In a number of cases (such as the National Oil Spill Contingency Plan) the indicator is not reflective of the risk that the programme cannot assure the outcome stated. For example where an National Oil Spill Contingency Plan is developed (an output that is within the power of the programme and its counterparts to achieve) the approval and publication of the plan may rest with decision makers beyond the management of the OfD programme (such as the OPM) and so such indicators should be tailored to reflect this risk. For example the indicator for the National Oil Spill Contingency Plan could be that it is finalised and submitted to the relevant authority for approval/publication. In this instance the achievement of the output could be linked to the risk that even after significant effort and successful implementation of the OfD output, the delay in the publication of the plan is not perceived as a failure of the programme, but rather a shortcoming of the institutional arrangements in Uganda. Understanding the risk to achievement and managing them will also be critical for managing success in the next phase – a role that has already been suggested for the PCC.

4.2.4 Tighten governance arrangements for Ugandan counterpart funding

The programme should tighten governance arrangements for Ugandan counterpart funding, to prevent that respective delays have a negative impact on programme implementation. As proposed above, the programme could consider shifting more responsibility on the Ugandan side to call down on Norwegian support, if and when it has organised its own contributions necessary to deliver valued outputs. This issue is most often encountered when the Ugandan counterparts are unable to make capital purchases of equipment and the like that are key enabling inputs for the Norwegian technical assistance - such as a data workshop to be run by the Norwegian counterpart is delayed as the Ugandan counterpart ministry has not completed the procurement of the computers necessary for the data workshop to proceed. All tasks that require Ugandan counterpart capital expenses could then be held back until the necessary expenses have been effected. When the Ugandan counterpart has fulfilled its obligations in this regard the Programme Secretariat could then request a call down for the task to proceed, however if the delay persists, the funds in the call down facility could be reallocated to another pressing task and thus improve the efficiency of the spend in the programme. Taking on this responsibility would also require the Ugandan side to

refocus PCC meetings from backward-looking reporting to forward-looking planning and implementation monitoring as discussed in 4.2.1.

4.2.5 Alternatives to reduce the funds disbursement processes

To overcome the issue of delays in fund transfers from the MEMD to other MDAs responsible for the implementation of respective pillar components, putting in place separate agreement with each pillar-leading MDAs may also make those MDAs more directly responsible and accountable for delivery. However, this might constitute an administratively more intense process, since from the RNE perspective, it would need to have oversight of each ministry where funds have been dispersed to.

During follow up interviews it was strongly suggested that the trade-off of slower payment flows due to Uganda financial regulations requiring certain protocols were preferable to the loss of integration of having one programme with one ministry as the point of contact as it promoted crosscutting collaboration and aided in limiting the development of delivery silos.

Alternatively, to shorten funds requisition process, it is recommended that the option of the implementing agency (MEMD) through the support of Programme Secretariat processes/procures and effects payments to beneficiaries as opposed to transfer of funds to to intermediary such as a coordinating agency or regulator. For example MEMD could disburse fund directly to the UWA or UFA or in future to the PAU as call downs for activities thus reducing the 'length' of the channels through which funds flow. This however may attract additional administrative burden currently borne by NEMA for example that would need to be funded at a programme secretariat level.

We believe that the issue of allowances are stipulated by the Ugandan standing orders therefore it is not within the Programme's remit to address this and that the allowances are to be paid by the Ugandan authorities and not by the Programme.

4.2.6 Given consideration for embedded 'old hand' advisors

While clearly not as straightforward as its proponents suggest, Phase III might consider whether the recommendation put forth by the IOC stakeholder is worth entertaining, that the OfD programme would avail an embedded 'old hand' advisor to work directly with and for the Ugandan MDAs that are conducting commercial negotiations with the private sector in order to boost the Ugandan side's commercial acumen to get commercial projects off the ground quicker. However, a preferable alternative would be if international organisations, such as the World Bank or the AfDB, would consider this type of support, which invariably bears both pros and cons.

4.2.7 Communication Strategy

The recommendation by the ScanTeam Report to decentralise the communication appears to have failed with weak ownership of the communications strategy at a pillar level. It is recommended that Programme Secretariat is empowered to coordinate and administer the budget and implementation of the communication strategy amongst the four pillars with a dedicated communication person responsible for developing and implementing the strategy.

4.2.8 Capacity Building Strategy

Whilst individual capacity building is recognised as an essential element of the overall strengthening of the sector as outlined in Figure 4, the ability to utilise and retain these individuals is critical to justify capacity building as well as the deployment at an organisational level to

ultimately develop the capacity of the sector. It is recommended that for future capacity building, each institution benefiting from capacity building produce a plan for how the capacity building will be used to retain skills and leverage them for the broader development of the organisation. At the same time the concept of the Oil for Development Programme being a 'capacity incubator' is important, as repetitive building of capacity within government that ultimately strengthens the sector is a positive outcome of the programme. The O&G sector is growing in Uganda and the demand for well-trained personnel is not only felt by the central government but by the CSOs and the private sector. For example an individual trained under the programme in the public sector who then moves to a position in the private sector or a CSO has still ultimately played a role in the overall building of the capacity of the sector.

Annex A Document review: detailed results

A.1 Resource management pillar

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
Component 2: Legal and Regulatory Framework			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The Resource Management authorities of Uganda (MEMD) have established regulatory frameworks, defined and delegated responsibilities for managing the petroleum sector in an economically, socially and environmentally good manner. <p><u>Indicator:</u></p> <ul style="list-style-type: none"> Administrative and legal framework in place. 	<ul style="list-style-type: none"> Advice received from NPD and PSA. Guidelines available for public on print and web. Advice received from Norwegian counterparts. Standard and codes published and available. Advice received from MPE and NPD with consultants. Documents issued, made public and used in promotion as part of the licensing round. Advice received from MPE and consultants. Laws are reviewed. Advice received from MPE and consultants. Harmonized laws are in place. Advice received from NPD and MPE. Regulation published on print and web. Advice and training received from NPSA and consultants. The supervisory framework finalized and published. Advice received from NPD, MPE and consultants. Policy revised and updated. Policy published on print and web. 	<ul style="list-style-type: none"> MEMD has published guidelines relating to the upstream and midstream laws. MEMD and National Bureau of Standards have developed statements on standards and codes relating to midstream sector. MEMD has updated the Model PSA and a formulated a Standard JOA. MEMD and MOJCA have reviewed the upstream and midstream laws. MEMD and MOJCA has harmonized related laws applicable to the petroleum sector by 2017. MEMD has developed and completed regulations for production, decommissioning, and method for setting tariffs in the petroleum pipelines industry by 2016. MEMD has adequate supervisory (regulatory) framework for following up safety, health and environment both from technical safety and occupational health point of view. MEMD has revised the National Oil and Gas Policy for Uganda. 	<ul style="list-style-type: none"> Not completed. Deferred to next phase once PAU in place. Not completed - work in progress. Some standards completed work is ongoing. Model PSA updated. Draft JVA formulated. Not completed. Not completed. Regulations published. Not completed. Deferred to next phase once PAU in place. Not completed. ToR for developing a revised Oil and Gas Policy for Uganda was prepared.

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
Component 3: Licensing Strategy and Plan			
<u>Outcome:</u> <ul style="list-style-type: none"> First licensing round undertaken in a transparent manner through open budding in accordance with international best practice. <u>Indicator:</u> <ul style="list-style-type: none"> Promotion, presentation of data, evaluation of companies and bids, signing of new PSAs. 	<ul style="list-style-type: none"> Advice received from NPD and consultant. Sufficient capacity built to operate the data room. Oil companies can review relevant data. 	<ul style="list-style-type: none"> MEMD has established a 'state of the art' data room with relevant data available for potential investors. 	<ul style="list-style-type: none"> Completed. Data room was used during the 1st Licensing Round.
	<ul style="list-style-type: none"> Licensing round is well published. Training and advice delivered in 2015. 	<ul style="list-style-type: none"> Training and advice of MEMD staff in conducting promotional road shows. 	<ul style="list-style-type: none"> Promotional road show held in London.
	<ul style="list-style-type: none"> MEMD has capacity to undertake bid evaluation based on on-the-job-training and advice from NPD and consultants. 	<ul style="list-style-type: none"> MEMD advised and trained on evaluation of received bids and negotiation. 	<ul style="list-style-type: none"> Evaluation of received bids and negotiated 16 prequalified bidders.
	<ul style="list-style-type: none"> Impact assessment completed in accordance with the Act, after public hearing by 2016. Advice and training received from NPD, relevant Norwegian institutions and consultants. 	<ul style="list-style-type: none"> MEMD has undertaken an Impact Assessment before opening up new areas for exploration activities. 	<ul style="list-style-type: none"> Not completed.
	<ul style="list-style-type: none"> Speculative seismic survey undertaken and MEMD staff has acquired improved knowledge of Uganda's resources through advise and training from NPD. 	<ul style="list-style-type: none"> MEMD has planned and conducted speculative seismic survey in order to understand the resource potential in new areas. 	<ul style="list-style-type: none"> Not completed.
Component 3: Monitoring and Supervision			
<u>Outcome:</u> <ul style="list-style-type: none"> MEMD has adequate capacity in cost monitoring, EOR-methods and HSE-compliance to effectively monitor the oil companies. 	<ul style="list-style-type: none"> Advice and training received from NPD. Necessary tools in place and in use. 	<ul style="list-style-type: none"> MEMD has capacity and tools to monitor costs, manage chemicals, gas particulate, spill modelling and consequence modelling. 	<ul style="list-style-type: none"> Completed.
	<ul style="list-style-type: none"> FDP/PRRs approved and appropriate conditions set for optimal resource management with advice from Norwegian counterpart. 	<ul style="list-style-type: none"> MEMD has capacity to review and approve FDP and PRR provided by the operators. MEMD has capacity to challenge the oil companies in relation to EOR. 	<ul style="list-style-type: none"> Completed.
	<ul style="list-style-type: none"> Comprehensive Emergency Response Plan and Strategy in 	<ul style="list-style-type: none"> MEMD in cooperation with NEMA has prepared an Emergency Response Plan 	<ul style="list-style-type: none"> Not completed

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<u>Indicators:</u> <ul style="list-style-type: none"> MEMD has capacity to monitor cost and set appropriate condition for optimum resource management. MEMD has capacity to undertake HSE audits of petroleum activities. 	<p>place. Regulatory unit has capacity to undertake HSE audits of petroleum activities.</p> <ul style="list-style-type: none"> Advice and training received from NPSA to undertake the proposed outputs under HSE. 	<p>for the oil and gas sector by 2017. Cooperation between Resource and Environment Pillar.</p> <ul style="list-style-type: none"> MEMD has developed a monitoring system for following up technical safety and occupational health, and HSE supervisory strategy and organizational arrangement. MEMD has carried out inspections and incident investigations. MEMD has a competence plan for developing relevant professional competence within the HSE area, HSE data management system and systems, procedures, work processes for audits, and follow-up activities. 	<ul style="list-style-type: none"> Not completed – but no specific metric. Deferred to next phase once PAU operationalised.

Component 4: Institutional Development and Capacity Building

<u>Outcome:</u> <ul style="list-style-type: none"> The Petroleum Directorate and the Petroleum Authority are established with clear defined strategy, roles and responsibilities for all units and employees. 	<ul style="list-style-type: none"> Advice received from Norwegian counterpart. Advice and training received from relevant Norwegian agencies. A firm foundation for the PAU² built based on best practice. Advice and training received by the new institutions. 	<ul style="list-style-type: none"> Review and clarify the roles and responsibilities within the institutions. The Petroleum Authority of Uganda³ has relevant capacity within its regulatory responsibilities. The new institutions have established competence development systems. 	<ul style="list-style-type: none"> Completed. Not completed - work in progress. Norway visits and workshops but no clear metric to measure. The Authority started to gradually recruit staff from Sept 2016 to fill the established structure. Norway visits and workshops but no clear metric to measure. Doesn't appear completed from the minutes of AM and PCC.
<u>Indicator:</u> <ul style="list-style-type: none"> Procedures and routines are documented and implemented. 			

Component 5: Data and Records Management

² Note: the agreed PD states NOC not PAU but possibly agreed changed

³ Note: the agreed PD states National Oil Company not Petroleum Authority of Uganda but possibly agreed changed

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> Relevant data/information is shared internally and externally leading to improved operational efficiency, faster decision making and transparency. <p><u>Indicator:</u></p> <ul style="list-style-type: none"> Updated web-based fact pages and fact maps are published allowing easy access to information on oil and gas activities to the public and all players in the sector. 	<ul style="list-style-type: none"> Advice received through on-the-job training at NPD or consultant to ensure a Ugandan 'state of the art' national data bank. 	<ul style="list-style-type: none"> MEMD has capacity to develop and maintain a national data bank for costs, infrastructure, pipeline, refinery, resources, production profiles and forecasts. MEMD has effective and functional procedures and tools for data and information management, with applicable AC/AQ procedures, and web based interface. 	<ul style="list-style-type: none"> Workshops both in Norway and Uganda but no clear metric to measure. Doesn't appear completed from the minutes of AM and PCC.
	<ul style="list-style-type: none"> IT personnel in the new organization are capable of maintaining and develop IT systems through advice and training from Norwegian counterpart. 	<ul style="list-style-type: none"> MEMD has secured the national data through an off-site back-up and storage solution. MEMD has an IT/ICT policy for the new building and new institutions. MEMD has ensured communication and digital interaction with other government institutions through the NITA-U Backbone Infrastructure. 	<ul style="list-style-type: none"> Not completed - work in progress. Workshops both in Norway and Uganda but no clear metric to measure. ICT strategy developed by Odin Project based on draft PEPD ICT policy. PEPD is using the NITU-U Backbone Infrastructure which it joined in 2014 for communication.
	<ul style="list-style-type: none"> Advice and training received in records management. 	<ul style="list-style-type: none"> MEMD has functional and modern records management systems developed and functional in the new institutions. 	<ul style="list-style-type: none"> Norway visits and workshops but no clear metric to measure. Doesn't appear completed from the minutes of AM and PCC.
	<ul style="list-style-type: none"> Advice and training on ArcGIS received from Norwegian institutions and consultants. 	<ul style="list-style-type: none"> MEMD has compiled all relevant geographic data through an ArcGIS framework. New institutions are able to visualize and tabulate all critical information on PCs and/or mobile devices using ArcGIS. 	<ul style="list-style-type: none"> Completed. ArcGIS/Google Earth- Crane database integration enables online visualisation of information via fact pages - (www.facts.pau.go.ug)⁴
<p>Component 6: Resource Assessment</p>			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> MEMD has capacity to estimate the countries 	<ul style="list-style-type: none"> Annual resource report published. New institutions are capable to understand and interpret all geoscience data, and 	<ul style="list-style-type: none"> Advise and train in geo modelling, AVO seismic inversion, Petro physical interpretation, reservoir simulation, and reservoir engineering. 	<ul style="list-style-type: none"> Completed.

⁴ Note that the OAG report 2016 suggests severe capacity constraints, poor management and insufficient funds undermine ability to hold IOCs to account for data compliance. <http://www.oag.go.ug/wp-content/uploads/2017/04/Management-of-petroleum-data-by-MEMD.pdf>

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<p>petroleum resources and publish reports. MEMD also are capable of estimating the economic potential of the resources.</p> <p><u>Indicators:</u></p> <ul style="list-style-type: none"> MEMD's independent resource evaluation is finalized and continuously updated in accordance with systems and procedures. Guidelines for resource reporting published. Annual reports on the petroleum resources are publically available and information published is correct and easily understood. 	<p>handle all resource management issues.</p>		
	<ul style="list-style-type: none"> Improved understanding of international resource classification systems. 	<ul style="list-style-type: none"> MEMD assures compatibility of the Uganda resource accounts with relevant classification systems. 	<ul style="list-style-type: none"> Completed. Petroleum Resources being reported in line with the Petroleum Resources Management System (PRMS). Adoption of the United Nations Framework Classification System (UNFC) for fossil fuels is also being considered.
	<ul style="list-style-type: none"> Advice through on-the-job training at NPD to receive knowledge on best practices in resource management and accounting. 	<ul style="list-style-type: none"> MEMD is able to continuously update the independent resource account, and update the methods and guidelines for resource accounting and resource reporting. 	<ul style="list-style-type: none"> Completed. This is being done annually.
	<ul style="list-style-type: none"> Advice on resource estimation methods. Completed report on Uganda's unconventional resources. 	<ul style="list-style-type: none"> MEMD has estimated the potential of unconventional resources. Report printed and published. 	<ul style="list-style-type: none"> Not completed.
	<ul style="list-style-type: none"> NPD has provided advice on play definition and statistical resource assessment. 	<ul style="list-style-type: none"> MEMD has defined play-models in the Albertine Graben and used in resource assessment. 	<ul style="list-style-type: none"> Completed. Done as part of the Basin Analysis study.
	<ul style="list-style-type: none"> Advice and training on Economic model developed and operational. 	<ul style="list-style-type: none"> MEMD and MFPED implement the developed Petroleum Economic Model. Joint activity for Resource and Revenue Pillar. 	<ul style="list-style-type: none"> Completed.
Component 7: Midstream Development			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The national strategy and plan for petroleum transportation and storage is implemented and followed. 	<ul style="list-style-type: none"> Advice, capacity building, training and consultancy by Norwegian institutions. 	<ul style="list-style-type: none"> MEMD has guiding principles and action plans for the implementation of the strategy, monitoring, evaluation and reporting framework, tariff structure for pipeline transportation. 	<ul style="list-style-type: none"> Completed.
	<ul style="list-style-type: none"> Advice, consultancy and training. 	<ul style="list-style-type: none"> New institutions have capacity to regulate the mid-stream sector. 	<ul style="list-style-type: none"> Not completed. Deferred to next phase once PAU operationalised.

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<u>Indicator:</u> <ul style="list-style-type: none"> MEMD has the capacity, guiding principles and action plans to ensure compliance and implementation. 	<ul style="list-style-type: none"> Advice, consultancy and training. 	<ul style="list-style-type: none"> MEMD has developed an investment strategy for the sector. 	<ul style="list-style-type: none"> Not completed.
Component 8: Implementation of the Communication Strategy			
<u>Outcome:</u> <ul style="list-style-type: none"> The communication strategy and plan for the petroleum sector is implemented and followed. <u>Indicators:</u> <ul style="list-style-type: none"> MEMD has the capacity to implement the strategy. Women are included as a separate target group. Assessment shows that women participate in community meetings and consultancy processes. 	<ul style="list-style-type: none"> Advice and consultancy. 	<ul style="list-style-type: none"> MEMD has a reviewed strategy and guiding principle to ensure transparency and well-informed public private sector. 	<ul style="list-style-type: none"> Completed. Strategy was reviewed to enhance communication during the development and production phases of oil and gas.
	<ul style="list-style-type: none"> Advice and consultancy in development of a communication plan. 	<ul style="list-style-type: none"> MEMD has a communication plan for all phases of the petroleum sector, implements it effectively and incorporate any recommendations from the revised strategy. 	<ul style="list-style-type: none"> Completed.
	<ul style="list-style-type: none"> Training conducted in effective communication. 	<ul style="list-style-type: none"> Capacity building and training of staff as per the recommendation from the updated strategy. 	<ul style="list-style-type: none"> Completed.
	<ul style="list-style-type: none"> Advice given. 	<ul style="list-style-type: none"> MEMD ensures that the communication efforts among Government institution responsible for petroleum management are well coordinated. 	<ul style="list-style-type: none"> Evidence of some media publications and related engagements with some stakeholders but doesn't appear completed from the minutes of AM and PCC.

A.2 Environment management pillar

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
Component 1: Implementation of the SEA recommendations			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The recommendations of the SEA are integrated into national development planning and the identified environmental and socio-economic concerns are addressed by the mandated institutions. <p><u>Indicators:</u></p> <ul style="list-style-type: none"> The mandated institutions report on progress in fulfilling their individual responsibilities as specified in the SEA implementation plan. Monitoring indicates that the ecosystems and biodiversity in the Albertine Graben are not being compromised. Assessment shows that gender perspective is 	<ul style="list-style-type: none"> ToR for the Multi-Institutional Committee has been adopted. Representatives to the Multi-Institutional Committee have been nominated. SEA Implementation plan with specific goals, timelines and budget developed. Final Joint SEA Implementation Plan published and disseminated. Advice from Norwegian experts and institutions is being provided. 	<ul style="list-style-type: none"> A Multi-Institutional Implementing Committee, is instituted to develop a detailed implementation plan with specific goals, timelines and budget required to implement the recommendations. 	<ul style="list-style-type: none"> Completed.
	<ul style="list-style-type: none"> ToR for an Integrated Management Plan for the Albertine Graben developed. Advice and capacity building is being provided by Norwegian experts and institutions. 	<ul style="list-style-type: none"> An Integrated Management Plan for the Albertine Graben is developed. 	<ul style="list-style-type: none"> Not completed - Steering Committee appointed to take process forward.
	<ul style="list-style-type: none"> ToR adopted. Advice, capacity building and consultancy services provided by Norwegian institutions. WMP finalized, printed and published. 	<ul style="list-style-type: none"> Waste Management Plan (WMP) developed and operational. 	<ul style="list-style-type: none"> Not completed - Steering Committee appointed. Activity was overtaken by the development of petroleum waste management regulations in the second component.

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
included in the SEA implementation plan.			
Component 2: Update of legal framework for Environmental Management			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The environmental authorities in Uganda have updated and developed relevant laws and regulations to efficiently regulate environmental concerns of oil and gas. <p><u>Indicators:</u></p> <ul style="list-style-type: none"> The Uganda legal framework for environmental management ensures sound environmental management practices in the oil and gas sector. Assessment shows that all EIAs address gender issues and social impacts 	<ul style="list-style-type: none"> Advice provided by the Norwegian Environment Agency and the “bird’s eye view” legal consultancy support provided by M/s Simonsen Vogt Wig. The Cabinet Memorandum on approval of principles for the National Environment Bill approved by Cabinet. First Parliamentary Counsel of the Ministry of Justice and Constitutional Affairs taking on the Bill. The Bill submitted to Parliament for debate and approval. The Bill approved by Parliament. The National Environment Act finalized, published and disseminated. <ul style="list-style-type: none"> Advice provided by the Norwegian Environment Agency and M/s Simonsen Vogt Wig. Assessment shows that all EIAs addresses issues of gender and social impact. All the revised regulations signed by the Minister, published and disseminated. <ul style="list-style-type: none"> Advice provided by the Norwegian Environment Agency and M/s Simonsen Vogt Wig. 	<ul style="list-style-type: none"> NEMA has spearheaded the revision of the National Environment Act with input from various Ugandan government institutions, the private sector and civil society. <ul style="list-style-type: none"> NEMA has spearheaded the revision of key regulations regarding EIAs, audits and inspections, waste, effluents, and noise, with relevant inputs from government institutions, private sector and civil society. <ul style="list-style-type: none"> NEMA has developed new regulations regarding air quality, chemicals, and oil spill management. 	<ul style="list-style-type: none"> Completed – Act is with parliament for consideration having been read for the first time in December 2017. <ul style="list-style-type: none"> Not completed – regulations drafted, but cannot be promulgated until the Act is passed into law. <ul style="list-style-type: none"> Not completed – regulations drafted, but cannot be promulgated until the Act is passed into law.

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
	<ul style="list-style-type: none"> Revised regulations signed by the Minister, published and disseminated. Advice provided by the Norwegian Environment Agency and M/s Simonsen Vogt Wig. The draft Regulations on petroleum waste submitted to Parliament for information and necessary action. Revised regulations signed by the Minister, published and disseminated. 	<ul style="list-style-type: none"> NEMA has developed new sector specific regulations and guidelines regarding petroleum waste as per the provision of the Petroleum Exploration and Production Act. 	<ul style="list-style-type: none"> Not completed – regulations drafted, but cannot be promulgated until the Act is passed into law.
Component 3: Development of Regulatory Capacity with respect to Environmental Issues in the Oil and Gas Sector			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The environmental authorities in Uganda are able to fulfil their mandates in regulating the oil and gas industry in accordance with the legal framework. <p><u>Indicators:</u></p> <ul style="list-style-type: none"> The provisions of the National Environment Act and associated regulations are implemented in environmental permits and licenses and compliance is monitored and enforced. 	<ul style="list-style-type: none"> Advice, workshops, on-the-job training, excursions is being provided by the Norwegian Environment Agency. NEMA carry out EIA reviews and issue EIA certificates with approval conditions for field development and production phase activities according to legal timelines. Advice, workshops, on-the-job training, excursions is being provided by the Norwegian Environment Agency. Technical assistance, programming and on-the-job-training provided by the Norwegian Environment Agency. NEMA EIA data base in place and working. 	<ul style="list-style-type: none"> NEMA and relevant lead agencies perform reviews of EIAs and set appropriate approval conditions for oil and gas activities in the field development and production phase (including refinery). NEMA and relevant lead agencies carry out compliance monitoring of oil and gas activities in the field development and is prepared to do it in the production phase (including refinery). NEMA has an IT-based case handling system for facilitating and allowing also for monitoring and information provision regarding the review of EIAs, the issuing of approval conditions and permits, compliance monitoring and the environmental performance of the oil and gas industry projects. 	<ul style="list-style-type: none"> Not completed – depends on when EIAs completed by IOCs. Completed. Not completed. The IT system was initiated and is advanced stages. The system is currently in use but improvements are planned

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<ul style="list-style-type: none"> The oil and gas activities are carried out in compliance with the Act and regulations. 			
Component 4: Development of Environmental data collection and information systems			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The environmental authorities in Uganda have a technical infrastructure and protocols for collecting, sharing, collating and disseminating environmental data and information in a harmonized manner. 	<ul style="list-style-type: none"> Advice and technical support provided by the Norwegian Environment Agency. Guidelines for data sharing developed and in use. Secretariat for EIN established (NEMA – GIS UNIT). Advanced targeted skills training on Environmental data collection conducted for NEMA and relevant agencies. 	<ul style="list-style-type: none"> NEMA and relevant agencies, through the Environment Information Network (EIN), have planning and management procedures developed and adopted for data sharing and harmonization. 	<ul style="list-style-type: none"> Completed.
<p><u>Indicators:</u></p> <ul style="list-style-type: none"> Environmental data available and prepared for internal and external consumption (EIA, SEA, contingency planning, Monitoring Plan). 	<ul style="list-style-type: none"> Advice and technical support provided by the Norwegian Environment Agency. GIS system developed and key tools supplied. NEMA has the capacity and a technical solution for collecting data in the field. GIS UNIT in NEMA is capable of providing maps on request for internal and external use. 	<ul style="list-style-type: none"> A complete technical framework for data collection, storage and dissemination is in place in NEMA. 	<ul style="list-style-type: none"> Not completed – work in progress, but it would appear a range of activities have taken place to build capacity and systems. However, not clear if indicator has been met.

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<ul style="list-style-type: none"> Environmental GIS data and project files (dynamic map viewer) available at local computers for internal use for officers at NEMA. Environmental information for decision making readily available in form of hard copy and digital. 	<ul style="list-style-type: none"> Updated SA published and distributed (dynamic map layers/digital). The SA is seen in relation to the regular publication of the National State of the Environment report. 	<ul style="list-style-type: none"> Sensitivity Atlas revised on basis of AGEMP baseline data. 	<ul style="list-style-type: none"> Not completed.
Component 5: Implementation of the Albertine Graben Environmental Management Plan (AGEMP)			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The environmental authorities in Uganda monitors status and trends of environmental conditions, including socio-economic conditions, the health of ecosystems and biodiversity status in the presence of oil and gas activities in the Albertine Graben area. <p><u>Indicators:</u></p> <ul style="list-style-type: none"> The mandated institutions report on the state of Valued 	<ul style="list-style-type: none"> Technical advice provided by the Norwegian experts. Meetings held. Quarterly reports received. Technical advice provided. Base line report is available and ready for dissemination. Technical advice provided by the Norwegian experts. Base line report updated disseminated and available online. Technical advice provided by the Norwegian experts. Updated AGEMP in place. 	<ul style="list-style-type: none"> Steering committee for AGEMP functional. Baseline Study is completed. Updated the Albertine Graben Environmental Baseline Report to entire region. The AGEMP reviewed and updated to suit the anticipated activities beyond 2017 and new areas of exploration. 	<ul style="list-style-type: none"> Completed. Completed. Not completed. Not completed.

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<p>Ecosystems (VECs) in the Albertine Graben.</p> <ul style="list-style-type: none"> Environmental data available and prepared for internal and external consumption (EIA, SEA, contingency). 			
Component 6: Development of National Oil Spill Contingency Plan			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> Uganda has an operational National Oil Spill Contingency (NOSCP) in place coordinated by the Office of the Prime Minister, Department of Disaster Preparedness and Management. <p><u>Indicator:</u></p> <ul style="list-style-type: none"> Test to prove that NOSCP is operational at the national level. 	<ul style="list-style-type: none"> Capacity building and advice provided by the Norwegian Coastal Administration (NCA). National Oil Spill Contingency Coordination Committee has been appointed and is meeting regularly. Capacity building activities and advice provided by the Norwegian Coastal Administration (NCA). A draft National Oil Spill Contingency Plan has been developed. The National Oil Spill Contingency Plan has been approved and published. Individual implementation plans for each of the mandated institutions are available. Framework for local plans developed. Oil Spill Response training conducted. 	<ul style="list-style-type: none"> A national framework for Oil Spill Contingency is established and coordinated by Office of the Prime Minister with assistance of NEMA. The Steering Committee for Oil Spill Contingency has developed a National Oil Spill Contingency Plan. The mandated institutions have developed individual plans for executing their responsibilities under the NOSCP. Potentially affected districts, local, urban authorities and communities are prepared to be responsive to Oil Spills incidences. 	<ul style="list-style-type: none"> Completed. Completed. Not completed. Not completed.

A.3 Revenue management pillar

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
Component 1: Economic and Legal Framework			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> The revenue management authorities have established economic and legal frameworks for the prudent management of petroleum revenues. <p><u>Indicator:</u></p> <ul style="list-style-type: none"> No indicator in programme document. 	<ul style="list-style-type: none"> The Petroleum Tax Manual completed. 	<ul style="list-style-type: none"> Advice and technical guidance received from the Oil Taxation Office of Norway. 	<ul style="list-style-type: none"> Completed - The Petroleum Tax Manual shall however require continuous revisions as the tax system evolves.
Component 2: Statistics			
<p><u>Outcome:</u></p> <ul style="list-style-type: none"> Uganda Bureau of Statistics (UBOS) is better prepared to produce and publish petroleum related statistics which improves national planning, policy making, accountability and transparency within the petroleum sector. <p><u>Indicators:</u></p> <ul style="list-style-type: none"> Oil and gas investment statistics are used in Government budget publications (UBOS to keep track of publications). 	<ul style="list-style-type: none"> Yes/no⁵ 	<ul style="list-style-type: none"> UBOS system of National Accounts captures GDP with oil/gas sector. 	<ul style="list-style-type: none"> Not completed - 90 percent has been completed, the system involves including variables in the SUT
	<ul style="list-style-type: none"> Yes/no 	<ul style="list-style-type: none"> Investment statistics for petroleum sector produced and published by UBOS. 	<ul style="list-style-type: none"> Completed - Investment statistics have been produced but not yet published awaiting a formal approval and

⁵ Unclear what these 'yes/no' indicators actually mean. It has been assumed they simply mean Yes/No as to whether the four programmed activities have taken place or not.

Component Outcome	Output Indicators	Activities programmed in 2015 – based on the 2015 PD	Activities achieved by 2017 - based on AM & PCC minutes
<ul style="list-style-type: none"> • Contribution of the oil/gas sector to the national economy in national budget and other policy statements (UBOS to keep track of publications). • Level of competence of UBOS improved on producing oil/gas statistics (evaluated by UBOS and SN together). • Oil/gas data are included and used in integrated macroeconomic model for Uganda (evaluated by UBOS, SN and MFPED together). 			<p>harmonisation with MEMD.</p>
	<ul style="list-style-type: none"> • Yes/no 	<ul style="list-style-type: none"> • Uganda and UBOS have in place a comprehensive Business Register with oil and gas sub sector in place. 	<ul style="list-style-type: none"> • Not completed - 60 % of this output has been achieved. UBOS with the help of SN are currently developing an IT system that combines different business registers from different institutions into one.
	<ul style="list-style-type: none"> • Yes/no 	<ul style="list-style-type: none"> • Signed Service Level Agreement/ Memorandum of Understanding between UBOS and data suppliers on data collection and sharing of data for oil/gas sector. 	<ul style="list-style-type: none"> • Not completed - UBOS is proceeding on the basis that the Statistics legislation compels all Ugandan institutions to supply information to UBOS.

Annex B Stakeholder interviews: collated findings

B.1 Observations based on interviews with Ugandan stakeholders

B.1.1 Resource management pillar

Resource management	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> OfD programme has contribute to institutional developments, including: <ul style="list-style-type: none"> Set-up of the Uganda National Oil Company (UNOC) and the Petroleum Authority of Uganda (PAU). Several Acts, including the Revenue Management Act. OfD programme has supported capacity building within Uganda's sector organisations, thus helping their decision making and delivering on their respective roles. 	<ul style="list-style-type: none"> Personnel movements from Ministry to UNOC and PAU has affected pillar management and delivery of activities. Personnel trained through OfD programme moving to UNOC and PAU; these two organisations are not supported by the OfD programme. Differences in salaries are contributing to these moves. 	<ul style="list-style-type: none"> Concern that the newly created organisations and the approved Acts themselves do not delivery the outcomes associated with them, including transparency and accountability.
	<ul style="list-style-type: none"> Training provided by the programme has helped strengthen the government's dialogue with IOCs. 		<ul style="list-style-type: none"> This achievement is not matched by the expectations of IOCs, who lament that government lacks commercial acumen, is too focused on legal and regulatory approach, and that it hesitates taking decisions for fear of making mistakes.
Effectiveness	<ul style="list-style-type: none"> OfD programme activities well thought off. Its goal is aligned with poverty eradication and the National Oil and Gas Policy. Programme stand-out achievement is improvements in upstream and midstream legislation, and more to come. 	<ul style="list-style-type: none"> Not entirely sure if the activities have always met expectations. Timely completion of activities is an issue; challenges faced on the Ugandan side, including procurement procedures and cumbersome processes. Effective coordination under the pillar is an issue. 	<ul style="list-style-type: none"> See also below on procurement and budget management.

Resource management	Achievements	Challenges	Observations & Suggestions
		<ul style="list-style-type: none"> • Challenges with funding <ul style="list-style-type: none"> ○ Should Secretariat hold these, or should respective ministries hold these themselves? ○ Delayed funding releases from MoF, e.g. for purchasing equipment needed for training have undermined timely delivery of planned activities. 	<ul style="list-style-type: none"> • Management of budgets needs to be looked at: who is funding what and what are the procedures, especially for procurement. • Reference to the issue of identifying and managing risks, e.g. funding delays.
		<ul style="list-style-type: none"> • Emergency response plan: needed, but divided views whether there is the capacity to develop it; 	<ul style="list-style-type: none"> • Several departments need to coordinate this plan and this is taking time.
			<ul style="list-style-type: none"> • Programme needs a new Safety pillar. But not immediately clear where it should sit – in Ministry of Labour or PEPD. This should be decided by looking at the institutional level, rather than the personal level. • One view is to house the safety pillar with PAU.
	<ul style="list-style-type: none"> • Communication strategy between 2011 and 2018 greater focus on collecting feedback. 	<ul style="list-style-type: none"> • Complaint that CSOs communicate in ways that suit their own interests. 	<ul style="list-style-type: none"> • Communication and communication strategy: previously held under Secretariat/PCC, but ScanTeam suggested to devolve to the pillar level. Going forward, it has been discussed that a dedicated person will be assigned to oversee the communication strategy.
		<ul style="list-style-type: none"> • Per diems and sitting allowances are critical. • Discontent about perceived unfair pay between Ugandans and Norwegians, e.g. in drafting regulations. • OfD salaries not seen as competitive compared to the development projects (e.g. GIZ skills project). 	<ul style="list-style-type: none"> • The issue of per diems and sitting allowances was brought out as an effectiveness issue, because not paying this 'facilitation' apparently undermines motivation.
Efficiency	<ul style="list-style-type: none"> • Role of PCC: has potential to act as a power coordination mechanism, but... 	<ul style="list-style-type: none"> • ... PCC meetings are too focused on reporting activities that have taken place (or not) in the past. Not forward-looking, 	<ul style="list-style-type: none"> • Review and strengthen role of PCC. See also below on Risk.

Resource management	Achievements	Challenges	Observations & Suggestions
		and not focused on risks and risk management. PCC should be enquiring why activities could not be delivered and seek remedy.	
		<ul style="list-style-type: none"> • Different governance arrangements across the three pillars, in particular in relation to role of the Prime Minister. 	<ul style="list-style-type: none"> • All pillars should be treated the same. At present the Resources Pillar manages the execution of its activities differently.
Sustainability		<ul style="list-style-type: none"> • Risks: spelling out risks to implementation of annual plan and managing these. 	<ul style="list-style-type: none"> • Programme design has not factored in delivery risks and, therefore, has not planned to manage risks. These include risks associated with persons moving on.
	<ul style="list-style-type: none"> • PAU now mandated to manage petroleum data... 	<ul style="list-style-type: none"> • ... but as PAU is taking on this role, there will be issue with sharing data and who is supposed to pay for maintenance. 	<ul style="list-style-type: none"> • Next phase of OfD programme will face the issue of data transfer from MEMD/PEPD to PAU.
		<ul style="list-style-type: none"> • Staff retention in light of higher salaries paid by UNOC and PAU. 	<ul style="list-style-type: none"> • OfD programme should continue to play a role in providing peer review session etc., in light persistent capacity gap that country faces. • Ministerial staff participating in the OfD programme is least paid, compared to the pay delivered elsewhere (assuming reference to UNOC and PAU).
Programme organisation and administration management	<ul style="list-style-type: none"> • Lessons learned on Programme administration from Phase I had informed Phase II's programme governance. • Good cooperation and coordination between Norwegian and Ugandan counterparts. 	<ul style="list-style-type: none"> • Several of the activities that were supposed to be undertaken in Phase I were carried forward to Phase II, not least because of the scandal related to funding that occurred in 2013. This had a big impact on the continuity of the programme. • In 2015, the Phase II project took off rather later than initially planned. 	
		<ul style="list-style-type: none"> • On Ugandan side procurement process is cumbersome. This is an issue when hardware breaks down, supplies are needed etc. This is causing tension, as Norwegians say Ugandan side should be able to procure itself and not ask NPD to fill the gaps. 	<ul style="list-style-type: none"> • Can procurement/fund release be improved – especially on the Ugandan side? • Also the view that such issues are partly down to implementation inefficiencies, as annual work plans are prepared and

Resource management	Achievements	Challenges	Observations & Suggestions
			agreed jointly and priorities activities and budgets.
		<ul style="list-style-type: none"> • Pillar meetings only really happen in the quarterly planning. With PAU on board, the need for meeting is greater. 	<ul style="list-style-type: none"> • Coordination is not straightforward.
		<ul style="list-style-type: none"> • Individual pillars are more active than the programme. Has caused information gaps at the programme level and issues about reconciling funding etc. 	<ul style="list-style-type: none"> • Pillar managers work quite independently. They advise each other of their activities at the PCC. PCC meetings are critical, but critical observation that it has become an activity reporting machine. • Ugandan and Norwegian pillar counterparts coordinating outside of the PCC has also caused some issues. • Key challenge of PCC is to track the development of activities; PCC has not been able to spell out, assess and manage programme risks. It needs to probe more and look forward, rather than just track activities ex-post. There should be some sort of PCC led sign-off mechanism, but this could interfere with role of Ministry/ies.
		<ul style="list-style-type: none"> • Phase II did not benefit from an inception phase, as it was primed on completing outstanding actions from Phase I. 	
		<ul style="list-style-type: none"> • Reporting challenges, in terms of tracking activities delivered versus achievement of desired outcomes. 	<ul style="list-style-type: none"> • NORAD is pushing for more outcome reporting. It is noted that it is difficult to report on outcomes on a quarterly basis, and that pillar managers are not verse with logic/methodology of outcome reporting.

B.1.2 Environment management pillar

Environment management	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> Capacity building appreciated but... 	<ul style="list-style-type: none"> ... pillar is perceived to have benefited NEMA at the expense of the Ministry of Water and Environment (MWE) and other relevant authorities, but no concrete evidence of this could be found. See below for different views from the perspective of NEMA and the UWA. 	<ul style="list-style-type: none"> Tension between the ministry and the agency does not appear to be specific to the OfD programme, and is therefore beyond the remit of the Programme to address. It is felt by interviewees that NEMA is stepping outside of its mandate.
	<ul style="list-style-type: none"> UWA staff have received training in Norway and have done further study tours. UWA is clear on its must-haves of (1) capacity building, (2) developing monitoring tools, and (3) studies on human-wildlife conflict in the O&G sector – all as part of community engagement. 		<ul style="list-style-type: none"> Contrary to MWE, the UWA feels that NEMA coordinates well and that it would be difficult if one of the Ministries sought to coordinate other Ministries and their respective authorities.
	<ul style="list-style-type: none"> NEMA feels that programme has helped it to develop the tools to manage environmental issues. Its view of the programme is much more positive than that of the Ministry of Water and Environment. NEMA feels that the OfD programme has got things rolling, where before environmental management was lagging behind other areas. Training received has been appreciated and Agency feels it can challenge IOCs. 	<ul style="list-style-type: none"> Capacity brought in from the Netherlands Commission for Environmental Assessment appears to have been more relevant than that provided by Norwegian counterparts. They have address the local context. 	<ul style="list-style-type: none"> NEMA doesn't see a problem with other government organisations (ie. Ministries and their directorates). .
	<ul style="list-style-type: none"> EIAs: Uganda Wildlife Authority (UWA) and the National Forestry Authority (NFA) see themselves mandated to work on EIAs... 	<ul style="list-style-type: none"> ... but they see capacity gaps when it comes to managing issues related to O&G. The O&G sector needs to appreciate that they have to coexist with other activities, e.g. wildlife, tourism etc. Other donors (EU, USAID) supporting UWA with some components on managing O&G sector issues, including the equipment necessary for delivering 	<ul style="list-style-type: none"> UWA showing recognition that NEMA has been tasked with coordination, but at first did not have the staff and looking after issues outside of OfD programme.

Environment management	Achievements	Challenges	Observations & Suggestions
		<p>OfD programme activities, but not covered under the programme.</p> <ul style="list-style-type: none"> UWA not happy with the new bill on Environment. And hoping the new OfD programme will provide capacity building for Ministries involved with environmental management. 	
Effectiveness		<ul style="list-style-type: none"> Slow and frictional flow of funds to NEMA, but apparently not from NEMA to UWA and UFA as they have the same systems. Upon reflection, the issue seems to be related more to the procedures required by the Ugandan public financial management systems. If advance warning is provided for fund requests, then the problem appears to be resolved. Information asymmetries: at the same time Ministry staff feel NEMA does not involve them and does not share information. 	<ul style="list-style-type: none"> Disbursement challenges partly associated with procurement processes; and partly suggested that there are tensions underlying. It appears that the Ministry (MWE) feels it is not in control of NEMA, or it is disadvantages compared to NEMA. Directorate of Economic Affairs feels it has capacity building needs that OfD programme could, but currently does not address.
	<ul style="list-style-type: none"> Despite challenges with SEA (Strategic Environmental Assessment), it has been underlined that the President and the Cabinet now appreciate environmental management issues. This appears to be the case because NEMA is linked to the Office of the President. Position of Ministry of Lands, Housing and Urban Development (MLHUD): SEA report has been collaborative and presents and achievement. 	<ul style="list-style-type: none"> SEA: Ministry of Environment feels the work on SEA needs to be broader. But there is not the capacity to look more broadly at environmental issues in the Graben. It is felt that Ministry is lagging behind IOCs and their systems. At the same time, the Ministry that has to answer in the event that difficult questions are being posed. NEMA's SEA position: scope of necessary SEA is larger than what has been done before and the experience that is there. 	<ul style="list-style-type: none"> SEA issue remains unsettled. But not entirely clear what the time line for it is and to what extent it is relevant for OfD Phase II and Phase III. There seems to be the view that further support on SEA is required, e.g. monitoring of implementation. For some of the entities involved, in-house capacity is an issue (MLHUD).
		<ul style="list-style-type: none"> Effectiveness of training: MLHUD distinguishing between training focused on individual's capacity and training focused on collaborative working. The latter less technical, and more 	<ul style="list-style-type: none"> Interesting comment about training perhaps too much focused on individuals' technical capabilities, and too little about organisational processes achieving outcomes and results.

Environment management	Achievements	Challenges	Observations & Suggestions
		<p>organisational-administrative and the benefit of collaboration. Issues are always cross-cutting and one should complement each other.</p> <ul style="list-style-type: none"> • Monitoring: no effective monitoring of whether operational plans have been followed. 	<ul style="list-style-type: none"> • On land use planning, the suggestion was made that a Coordinator of Land Use Planning would help to foster collaboration between MLHUD, UWA and NFA.
	<ul style="list-style-type: none"> • Environment pillar is said to have been inclusive of civil society organisations. 		
Efficiency	<ul style="list-style-type: none"> • Progress on National Oil Spill Contingency Plan 	<ul style="list-style-type: none"> • Contention around the National Oil Spill Contingency Plan: and who is in charge of this; • After some delays, it was decided to locate the NOSCP within the Office of Prime Minister due to its convening power. Plan was handed to OPM given its mandate, experience and capacity to manage disaster issues. A draft Plan has been developed by the Technical committee which is chaired by OPM and comprises of NEMA, MWE, MoWT, MEMD, MoJCA.. Meanwhile MWE has developed its own draft contingency plan. 	<ul style="list-style-type: none"> • MWE appears to feel disempowered by NEMA; appears to suggest that OfD programme can help to address this by locating Environment pillar with Ministry rather than NEMA; • NEMA sees this differently. It reports positively about National Oil Spill Contingency Plan implementation. • It would appear that some of the issues relating to MWE-NEMA are issues which precede the OfD programme and it is hoped will be addressed in the impending National Environmental Act.
	<ul style="list-style-type: none"> • Supplementary funds received from other donors (USAID, GIZ, WB)... 	<ul style="list-style-type: none"> • ... filling in on equipment needed to carry out programme activities, such as remote sensing etc. 	<ul style="list-style-type: none"> • Comments suggest that Ugandan counterparts would appreciate greater coordination with other donors to achieve synergies and complementarities.
		<ul style="list-style-type: none"> • One entity (MLHUD) flags challenge with identifying Norwegian counterpart for spatial planning and post-visit follow-up, flagging question of compatibility between Norwegian and Ugandan system. 	<ul style="list-style-type: none"> • Spatial planning lagged as an area where more capacity building and more exposure to O&G sector is needed. Planned training was not achieved for lack of funding.
Sustainability		<ul style="list-style-type: none"> • Retention: Capacity-building of staff in government institutions may lead to attrition as the staff are more mobile due to their improved skills. • Remuneration: there is an imbalance in terms of remuneration between NEMA 	<ul style="list-style-type: none"> • Remuneration issues hint at discontent with 'islands of efficiency' created in agencies and that leave ministries on the back foot.

Environment management	Achievements	Challenges	Observations & Suggestions
		and MWE. Similar between UWA and MTWA.	
		<ul style="list-style-type: none"> • Continuity: NEMA expressed concerns about continuity.... 	<ul style="list-style-type: none"> • ... its suggestion is that pillar management should be led from the Norwegian side. This suggestion seems to be prompted by the contention between the Agency and the other Ugandan ministries, including flow of funds, who is to prepare, implement and report plans etc. •
		<ul style="list-style-type: none"> • Continuity: MLHUD also expressed concerns about continuity, but more in terms of use of equipment that NEMA has purchased one the programme finishes. 	<ul style="list-style-type: none"> • Perhaps this comment is really about the appropriateness of the training and the equipment used in the Ugandan context?
		<ul style="list-style-type: none"> • National versus local level: NEMA feels the programme going forward needs to give more emphasis to the Local Government and host community dimensions of environment management. 	
Programme organisation and administration management	<ul style="list-style-type: none"> • New Environmental Law is being developed, which aims to spell out more clearly the role of the MWE and also other Ministries such as MTWA (Ministry of Tourism and Wildlife Antiquities). UWA falls under MTWA, same as NEMA and NFA fall under MWE. 	<ul style="list-style-type: none"> • Serious issues with coordination and information sharing across the pillar, though views on this seem to vary by ministry, including what an alternative arrangement should look like. • The MWE has delegated responsibility for management of the Environment Pillar to NEMA and the large number of organisations under this pillar has posed coordination challenges in the past. • The participating entities appear to vary in how well they are each able to translate the pillar work-plan into their own entity level work-plans. 	<ul style="list-style-type: none"> • Governance of this pillar needs to be looked at and improved. Various organisations are involved and this requires planning, coordination and a good flow of information. • Directorate of Environment Affairs points to lack of clarity why the environment pillar does not sit with Ministry of Water and Environment as the coordinating body. It is thought that a more formalised relationship between the OfD programme and the Ministry would force NEMA to engage better with ministerial policy processes.

Environment management	Achievements	Challenges	Observations & Suggestions
		<ul style="list-style-type: none"> • Capacity-building under the OfD is focused on NEMA and the MDAs and the Ministry feels it has lacked sufficient capacity-building under the OfD. • Remuneration and retention: While the OfD programme has no mandate to address issues of unequal remuneration and retention, issues in this areas are perceived to have the potential to undermine the efforts of the programme. 	<ul style="list-style-type: none"> • The entities under this pillar have different views as to whether or not NEMA has delivered its pillar management role well, or whether the pillar should be hosted by another (preferably ministerial) entity. • District-level coordination: MLHUD flagged that coordination has been sub-optimal, but refers especially to the district-level, rather than national-level inter-ministerial/inter-agency coordination.
	<ul style="list-style-type: none"> • Pillar meetings taking place 1-2 times per quarter... 	<ul style="list-style-type: none"> • ... but rather more focus on status-reporting, backward-looking and tracking activities, rather than forward-looking and tracking and mitigating risks. • Issue with accounts, and whether NEMA should hold its own account. 	

B.1.3 Safety component of Environment management pillar

Safety component	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> Need for greater focus on Safety... 	<ul style="list-style-type: none"> ... but not straightforward where a respective pillar should sit and be coordinated across the relevant ministries and agencies. 	<ul style="list-style-type: none"> Expressed need to upgrade Safety Component into a Safety Pillar
Effectiveness Efficiency		<ul style="list-style-type: none"> Where to draw the line between Safety and SEAs? And also between Safety and the Environment? View that safety includes a broad remit: safety of humans, the environment, the investment. 	<ul style="list-style-type: none"> This pillar will need to encourage synergies and collaboration and clear mandates for the roles and responsibilities of the different authorities involved.
Sustainability	<ul style="list-style-type: none"> Recognition that communication is a key issues, especially with focus on the local level. 		<ul style="list-style-type: none"> Need for transparency and accountability in terms of communicating safety issues.
Programme organisation and administration management		<ul style="list-style-type: none"> Traditionally, Safety Pillar would fall under Ministry of Gender, Labour and Social Development (MGLSD). But under the Petroleum Law, safety sits with PAU. However, usually pillars are hosted by a Ministry (except Environment Management pillar, which sits with NEMA), but not entirely clear where it should best sit. Question raised is which Norwegian entities would be the counterparts for this pillar. In any case, it would be different entities. And PAU will have to coordinate the different safety components. 	

B.1.4 Revenue management pillar

Revenue management	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> Although the Norwegian MoF had withdrawn its support for the programme and instead availed a mechanism for the Ugandan counterparts to call on consultants, generally this seems to have worked quite well for the Ugandan side. However, views are mixed, with URA in particular expressing that expectation only have been met 'to some extent'. OfD programme has been instrumental in drafting Petroleum Tax Manual. This will be used by URA and has to be looked at as a working document, as laws will keep changing. The Manual covers the domestic tax law and the model PSA. 	<ul style="list-style-type: none"> Withdrawal of Norwegian MoF has posed a challenge, as resources allocated to this pillar have been fewer and budget has been difficult to manage. Ugandan programme officer feels that pillar work allocate to her is too much for one person along her normal job. URA: some disappointment with level of support provided. Petroleum tax manual appreciated, but had hoped for more TA based capacity building, class training, and practical attachments. Not enough skills transferred to staff. OfD no longer provides training. See also below on Limitations. 	<ul style="list-style-type: none"> Expectation that OfD programme will help build capacity in collecting relevant data about the oil sector to support further exploration and exploitation. OfD built on some IMF assistance provided in 2009. But now level of disappointment expressed that programme has not build more capacity in relation to tax collection and administration. OAG mentioning that during Phase II nothing much has happened with respect to this pillar. This is due to OAG being excluded as one of the core institutions in the pillar as it was running a parallel programme with the Office of the Auditor General in Norway.
	<ul style="list-style-type: none"> Main focus of this phase has been on Public Financial Management Act (PFMA), the investment and revenue management policy and guidelines on how the Investment Advisory Committee (IAC) shall work. It comprises representation from ministries of energy, finance and planning. Guidelines have been prepared by the Ministry of Finance with the guidance of consultants... 	<ul style="list-style-type: none"> ... but still need to be approved by the Investment Advisory Committee (IAC). 	<ul style="list-style-type: none"> Further collaboration between MoF and MEMD on economic modelling of petroleum revenues, in relation to revenue and public financial management.
	<ul style="list-style-type: none"> Forward-looking focus on the fiscal framework, complementing the focus on the regulatory framework that has dominated in Phase I and II. 	<ul style="list-style-type: none"> IAC still works on a modelling framework for forecasting oil revenues. This is a carry-on from the previous programme. To date, O&G not factored in fiscal framework. 	<ul style="list-style-type: none"> In the context of O&G sector development, the outstanding issues are a) fiscal rule for budgetary allocation versus allocation to Petroleum Revenue Investment Reserve, b) update of long-term expenditure framework, and c)

Revenue management	Achievements	Challenges	Observations & Suggestions
			<p>charter of fiscal responsibility setting out fiscal indicators for forward-looking 5 year period.</p> <ul style="list-style-type: none"> • Need for strengthening initially acquired capacity in oil revenue forecasting, and for (joint) quality assurance.
	<ul style="list-style-type: none"> • Prevention of tax leakages: OfD/OTO has helped the URA with the interpretation of domestic tax legislation and, thus, to prevent tax leakages. This has also helped to clarify and address errors in the legislation. 	<ul style="list-style-type: none"> • Structural challenges due to differences in regulatory/fiscal frameworks between Norway and Uganda: Norwegian expertise around taxation is not well-aligned to royalties and auditing cost oil in the Ugandan PSA-based system. • Uganda needs to draw on support from elsewhere (e.g. Open Oil), but OfD programme is not supporting this. 	<ul style="list-style-type: none"> • See also below on soliciting non-Norwegian support.
	<ul style="list-style-type: none"> • UBOS has been able to strengthen its statistical framework with help from Statistics Norway. • Focusing on collecting and analysing petroleum revenue data, focusing on investment statistics from IOCs, and including O&G sector in national accounts, as well as developing a business register. 		<ul style="list-style-type: none"> • There has been an announcement that the revenue pillar will be supported by a Resident Coordinator from the Norwegian side.
Effectiveness	<ul style="list-style-type: none"> • UBOS: Study visits to and from Norway have helped build capacity in 4 thematic areas: <ul style="list-style-type: none"> ○ Compilation of investment statistics ○ Compiling national accounts (premised on investment statistics) ○ Business register, including O&G sector, ○ Cooperation between Ugandan entities managing the oil sector. • Ugandan expectations have been met. 	<ul style="list-style-type: none"> • UBOS: Capacity has been built improving Ugandan entities handling of data, but so far only with focus on the upstream. Midstream/downstream sector is not yet covered. 	<ul style="list-style-type: none"> • UBOS: noting that capacity building through study visits has also penetrated the local level, not just the very central national level.

Revenue management	Achievements	Challenges	Observations & Suggestions
	<ul style="list-style-type: none"> • DFID funded Census of Business Establishments in the country, and funded Uganda Business Enquiry, looking at economic variables 	<ul style="list-style-type: none"> • Donor coordination not leveraged. No sense of whether there could be synergies between donor programmes, e.g. using the Census data to draw out information relevant in relation to the O&G sector. 	<ul style="list-style-type: none"> • OfD Programme perhaps not geared towards ensuring synergies and complementarities with other donor programmes.
	<ul style="list-style-type: none"> • Role of PCC: PCC was effective in overcoming lack of information from IOCs. • PCC is good for coordination and information exchange, communication strategy and encouraging transparency. 	<ul style="list-style-type: none"> • Challenges with PCC appear to be confined to environment pillar. 	<ul style="list-style-type: none"> • The PCC issues flagged by other pillars do not appear to feature in relation to the Revenue pillar. See also below.
		<ul style="list-style-type: none"> • Duties of OAG in Norway and Uganda are different, as in Uganda the OAG audits departments. This is causing some challenges in the twinning of the two offices. • As part of Uganda's PSA-based regulatory framework, the OAG is mandated to determine prudent cost for calculating cost oil. This is not an issue for the Norwegian concession-based regulatory framework. 	<ul style="list-style-type: none"> • Certification of auditors: Suggestion is that programme should explore options for OAG (and perhaps URA) to access relevant expertise from countries with PSA-based regulatory frameworks. • OAG expressing view that support provided on this technical issue is not sufficient. Government auditors (9 persons) not only need to be trained in using SAP systems that oil companies and their auditors use, but they also need to be certified. • Training approach: The view is that it would be cheaper to provide training in-house, than to fly some of the auditors to London to get trained and certified. • General criticism of approach to train small amount of people in Norway, as opposed to providing certified training in the country (reference to OAG 2018 training plan).
Efficiency	<ul style="list-style-type: none"> • Relevance of supplying data is recognised... 	<ul style="list-style-type: none"> • ... but the usefulness of data collection needs more sensitisation and appreciation. The OfD programme could do more on this subject and reach out more, including to other stakeholders of the revenue pillar. 	<ul style="list-style-type: none"> • ...suggestion that this system should be developed in conjunction with other revenue pillar stakeholders.

Revenue management	Achievements	Challenges	Observations & Suggestions
		<ul style="list-style-type: none"> Challenge is that Norway has technology to update and integrate data (e.g. business register) on a daily basis. At present, the statistics technology to integrate data is being developed in Norway, with the view to lift the system and bring it to Uganda. Whether this will work, remains to be seen... 	
		<ul style="list-style-type: none"> Production-related data: current data gathering not taking issues that will become important as production increases, e.g. environmental issues, e.g. system of satellite accounts and their monitoring. Foreign trade statistics: also need to be developed further. This will become more important. 	
	<ul style="list-style-type: none"> Residential workshops are better, because they remove the participants from their usual work. Entebbe is far enough away. 	<ul style="list-style-type: none"> Allowances – government guidelines apply for these. 	
Sustainability	<ul style="list-style-type: none"> See above on forward-looking objective to improve fiscal management in relation to O&G sector 		
		<ul style="list-style-type: none"> For UBOS it's too early to say, whether the work the pillar is delivering is sustainable.... 	<ul style="list-style-type: none"> ... suggestion that the issue of sustainability should be thought about more explicitly
Programme organisation and administration management			<ul style="list-style-type: none"> Overall: revenue (and also environment) pillar lagging behind the resource pillar. The revenue pillar has many stakeholders, and therefore multiple objectives. Thus, it's important to consider the collective effort.
	<ul style="list-style-type: none"> Relationship between Pillar Manager and Resource Manager is critical. If these do not work well on the personal level it affects the coordination and cooperation across the pillar. 	<ul style="list-style-type: none"> Resource Managers do not attend quarterly PCC meetings. The Resource Manager for the revenue pillar was not very active during this 	<ul style="list-style-type: none"> The PCC issues flagged by other pillars do not appear to feature in relation to the Revenue pillar. Several comments that collaboration and coordination within this pillar has been

Revenue management	Achievements	Challenges	Observations & Suggestions
	<ul style="list-style-type: none"> Resource Manager for this pillar has worked hard to ensure the communication gap resulting from reliance on phone calls was addressed. 	<p>programme period. This has led to underspend.</p> <ul style="list-style-type: none"> Resource Managers do not motivate their staff. 	<p>good, supported by the regular pillar meetings.</p> <ul style="list-style-type: none"> Continuous interaction with and access to Revenue Manager is seen as critical.
	<ul style="list-style-type: none"> Pillar meetings: UBOS falls under revenue pillar led by MoF and including also BoU and OAG. For planning upcoming work and reporting progress and challenges, regular intra-pillar meetings are held and plans are shared with Honey Malinga. Plans have been approved and timeline is agreed with Statistics Norway. A specialist has helped to design the questionnaires. 	<ul style="list-style-type: none"> UBOS having to make internal case for support: UBOS has to make case internally within UBOS for soliciting support from Statistics Norway. But has been able to build on long-standing relationship between UBOS and SN. Data analysis: SN support needed in aligning investment data with supply-use tables. On its own, UBOS does not have enough capacity. Local content is the least well developed topic. There have been issues with staffing. This is also important to track how many Ugandans are employed by the sector. 	<ul style="list-style-type: none"> Coordination between pillars: more general observation that coordination between the pillars is weak. The other pillars do not report jointly on their progress and there does not appear to be much sharing of experience. <ul style="list-style-type: none"> The revenue pillar meets regularly in addition to the PCC meetings.
	<ul style="list-style-type: none"> MOUs in place to ensure confidentiality of information. 	<ul style="list-style-type: none"> UBOS facing challenges in soliciting data from IOCs: getting the required data in the right format, confidential information, and in time. Sometimes have to get data from PEPD with time lags. UNOC has helped to deal with this problem. 	<ul style="list-style-type: none"> Mentioned that IOCs have been invited into the department to gain better understanding what UBOS needs and why. In contrast to UBOS, URA is of the view that relationship with IOCs is 'perfect', although not always timely. This is due to the relationship between URA and the IOCs.
		<ul style="list-style-type: none"> URA: disappointment expressed that OfD no longer provides capacity building for tax collection and administration, while at the same time the programme does not allow URA to access knowledge and capacity building offers that other parties, (e.g. Dutch-based International Bureau of Fiscal Documentation) could offer, because it is limited to support solicited from Norway. 	<ul style="list-style-type: none"> Suggestion that OfD programme allows for the possibility to solicit relevant support from non-Norwegian entities. See also above on structural challenges with differences in regulatory/fiscal frameworks.

Revenue management	Achievements	Challenges	Observations & Suggestions
		<ul style="list-style-type: none"> • Role of OAG: potential overlap in URA and OAG's roles, which should be clarified. • OfD auditing: OAG audits OfD funds, all the pillars and the PCC funds. There is a coordination problem, in that some pillars can keep money separately and thus do not coordinate. PCC does not seem to achieve the desired level of coordination. Key problem is the revolving chairmanship of the pillars and the PCC. 	

B.2 Observations based on interviews with Norwegian stakeholders

B.2.1 Resource management pillar

Resource management	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> Modus operandi for training works well. Work is primarily performed by Ugandan counterparts with guidance, peer review and quality check by OfD expertise. Few other donors active in this area, hence no particular need for coordination. 	<ul style="list-style-type: none"> Development of a consistent value chain, including in the mid-stream export pipeline part (EACOP). Vital are realistic planning and time schedules. 	<ul style="list-style-type: none"> Potential commercial issues need to be kept out of the OfD scope of work. Ability of Ugandan counterparts to work independently can be improved. Reduce OfD support for participation in external courses and conferences abroad. Having a local OfD advisor would be beneficial and should be considered in new programme.
Effectiveness	<ul style="list-style-type: none"> Ugandan sector authorities are generally well functioning, with relatively high levels of competency. Workplans for this pillar are more or less fulfilled, however with some delays (see next column). 	<ul style="list-style-type: none"> Delays in fulfilling workplans. Programme not entirely managed in accordance with work plan and budget established in annual meetings. 	<ul style="list-style-type: none"> Key to obtaining planned results are a high level trust between Ugandan and Norwegian counterparts and long-term commitment.
		<ul style="list-style-type: none"> Ineffectiveness of cooperation and coordination between Ugandan authorities, e.g. Petroleum Ministry, Department, newly established regulator PAU and other authorities. Clear potential for improvement in the cooperation and coordination between the Ugandan authorities managing the petroleum sector. 	<ul style="list-style-type: none"> Key challenges is lack of coordination and cooperation between Ugandan authorities managing the petroleum sector. Dialogue between Ugandan authorities and IOCs can be improved and should be conducted at the level of the relevant authorities, rather than the political level.
		<ul style="list-style-type: none"> Dialogue with IOCs not effective and conducted at the political level, rather than the level of the relevant authorities. 	<ul style="list-style-type: none"> Authorities' competency and courage to challenge the IOC's within their respective awareness of responsibility should be further developed and improved ("competency to ask")

Resource management	Achievements	Challenges	Observations & Suggestions
		<ul style="list-style-type: none"> PAU back-office IT operation and equipment is a challenge. Data has been lost due to lack of proper back-up systems. Procurement of IT equipment is challenging. 	
Efficiency	<ul style="list-style-type: none"> Operational cooperation between the component managers in Uganda and Norway are generally very good. External consultants providing legal assistance etc. are important and necessary for the development of legal framework, but are very expensive. 	<ul style="list-style-type: none"> Annual work plan, budgets and reporting mechanisms have not been designed efficiently. 	<ul style="list-style-type: none"> Annual work plan and budget should more explicitly specify the requirements for the respective parties as the basis for the planned activities. Management and budget follow-up of the local account must be improved, comprising both the account size (i.e. what shall be funded) and the subsequent follow up (i.e. what has been funded). The ambition to allocate OfD funds approx. equal between the programme components is not demand-driven and may not be optimal.
Sustainability	<ul style="list-style-type: none"> Ugandan authorities generally have a high degree of ownership of the programme and the results. The fact that the work is performed primarily by them will contribute to sustainable results 		<ul style="list-style-type: none"> The Ugandan authorities are responsible for their own decisions. This must be respected. If necessary, the OfD work programme adjusted accordingly.
Programme organisation and administrative management		<ul style="list-style-type: none"> Coordination challenges on the Norwegian side, and between Norwegian and Ugandan side? Too much time spent on status reporting. 	<ul style="list-style-type: none"> Country meetings on the Norwegian side should be used primarily to coordinate the components to ensure progress is planned. Reduce time on status reporting. Programme management activities and priorities need to be aligned between the Norwegian side and the PCC in Uganda. Funds from local account should be released accordingly.

B.2.2 Environment management pillar

Environment management	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> Support to NEMA for the coordination of the environmental component and its pillar institutions should be continued. 		<ul style="list-style-type: none"> Internships, i.e. inviting participants to NEA training, should be considered in the new programme period.
	<ul style="list-style-type: none"> From the NCA perspective, the OfD support is considered very relevant and consistent with the Ugandan national policy for disaster management. NCA has participated in the OfD programme since 2007, assisting in developing and implementing a National Oil Spill Contingency Plan and oil spill regulations. NCA's work is closely coordinated with the NEA. UN environment is also providing assistance in oil spill and disaster management. Respective activities are well coordinated within this field. 	<ul style="list-style-type: none"> Slow progress: Uganda is responsible for progressing the development of emergency plans and regulations. Progress has been slow, although recently it has improved somewhat. Environmental law not approved and ratified: implementing the emergency plans and regulations requires that the respective Ugandan environmental law is approved and ratified. This is still pending. 	
Effectiveness	<ul style="list-style-type: none"> Coordination and cooperation between NEMA and the other Ugandan stakeholder organisations in the environmental sector is generally considered satisfactory. 	<ul style="list-style-type: none"> Coordination and cooperation between NEMA and the other Ugandan stakeholder organisations in the environmental sector should be good – rather than satisfactory. 	
	<ul style="list-style-type: none"> Completion of National Oil Spill Contingency Plan is a key achievement so far. 	<ul style="list-style-type: none"> Implementation of the National Oil Spill Contingency Plan at both the national and regional level remains pending. The development of the plan has taken somewhat longer than planned. No comparative analysis (of what?) has yet been performed. 	

Environment management	Achievements	Challenges	Observations & Suggestions
	<ul style="list-style-type: none"> • Cooperation between the relevant environment and emergency authorities (NEMA, PAU, Office of PM and Ministry of Justice) is generally considered good. 		
Efficiency		<ul style="list-style-type: none"> • Release of local funds from PCC to NEMA for planned activities has been challenging and often postponed. This has resulted in delay of planned activities within the environmental pillar. 	<ul style="list-style-type: none"> • In order to mitigate the challenge with the release of local funds, it is important to clearly define, anchor and follow the work plans and budgets agreed in the annual meetings. • Nevertheless, it would still be important to maintain flexibility to adjust the program activities, so that ad-hoc assistance can be provided.
		<ul style="list-style-type: none"> • Coordination with other donors 	<ul style="list-style-type: none"> • New programme period should focus coordination of activities with other donors active in the environmental and social management. Such coordination should be undertaken with other OfD programme pillars, and should be discussed regularly with the Norwegian Country Coordination Group and in the PCC meetings.
	<ul style="list-style-type: none"> • With respect to the activity “develop National Oil Spill Contingency Plan”, the efficiency of delivering this was improved, when the proposed ‘steering committee’ within this field was abolished. 		<ul style="list-style-type: none"> • Consultants can preferably perform the development of competence within the Ugandan counterpart authorities through training courses. • Consultant may also assist in updating the environment risk analysis and the emergency response analyses (assuming the suggestion is that consultants can do this more efficiently than seconded NCA staff?)

Environment management	Achievements	Challenges	Observations & Suggestions
Sustainability		<ul style="list-style-type: none"> The need to adopt a common holistic approach and strategy for environmental and social management in the face of developing oil and gas resources in Uganda remains a challenge. An important element for such an approach and strategy is to follow-up on the SEAs. 	<ul style="list-style-type: none"> Following-up on SEAs should be key focus area for the new programme.
	<ul style="list-style-type: none"> Programme is considered to deliver sustainable impacts. As the Ugandan counterparts do the work themselves, this contributes to ownership and sustainable impacts. 		<ul style="list-style-type: none"> The turnover off personnel is generally low in participating institutions.
Programme organisation and administrative management	<ul style="list-style-type: none"> PCC has an important role of programme administration and management 	<ul style="list-style-type: none"> Role of PCC not sufficiently supported by Ugandan stakeholders. 	<ul style="list-style-type: none"> It is important that the Ugandan stakeholders recognise, support and appreciate the role of the PCC.
		<ul style="list-style-type: none"> Untimely release of local funds. 	<ul style="list-style-type: none"> The local account is probably required, but it may be preferable to reduce the size and extent, for example by funding international travel directly from Norway. Organisational and/or procedural adaptations should be considered to allow for more timely release of local programme funds.
		<ul style="list-style-type: none"> Too much time spent on status reporting 	<ul style="list-style-type: none"> On programme management, the Norwegian side should consider reducing the time spent on status reporting and instead focus attention on achieving the overall objectives of the programme.
			<ul style="list-style-type: none"> New programme will (should) follow the new OfD structure with the three sub-goals: legal framework, capacity building and transparency. In order to support transparency (and accountability), the new programme period should considering funding the printing of key reports that are

Environment management	Achievements	Challenges	Observations & Suggestions
			developed as a result of the OfD programme.
	<ul style="list-style-type: none"> Cooperation and coordination between NCA and NEA works well. 	<ul style="list-style-type: none"> Travel time 	<ul style="list-style-type: none"> Possibility of video/skype participation in group meetings is important for limiting travel time.

B.2.3 Safety component of Environment management pillar

Safety component	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> Programme is considered relevant and aligned with national priorities; Good cooperation between the respective component managers have supported obtaining the planned results. 	<ul style="list-style-type: none"> Recruitment of qualified personnel to the safety unit of PAU; Lack of operational experience within PAU and DOP; Risk that allowance systems influences the choice of training activities that authorities choose to participate in (i.e. per diem); 	<ul style="list-style-type: none"> Petroleum safety related support is relatively limited in scope and budget. It comprises: <ul style="list-style-type: none"> Development of safety regulations and guidelines for the upstream and midstream sector; Transfer of documentation to electronic platform; Cooperation and collaboration between authorities, in particular the petroleum safety unit in PAU and the Directorate of Labour, Employment and Occupational Safety within the Ministry of Labour; Development of emergency response plan for petroleum activities within the Office of the PM; Development of monitoring, audit and intervention competency and strategy within PAU. Few other donors active within the field of petroleum safety – thus also no need for coordination;
Effectiveness	<ul style="list-style-type: none"> Programme deliverables generally in accordance with plan... 	<ul style="list-style-type: none"> ... but IT data management has been delayed (i.e. databases for incident reporting and regulations in electronic format). 	
Efficiency		<ul style="list-style-type: none"> Cost of using consultants is relatively high.... 	<ul style="list-style-type: none"> ... and therefore should be carefully evaluated.
			<ul style="list-style-type: none"> Management of local account should be improved by better follow-up on cost and budget.

Safety component	Achievements	Challenges	Observations & Suggestions
Sustainability	<ul style="list-style-type: none"> Programme is considered to deliver sustainable impacts through development of competent institutions. Cooperation between Norwegian and Ugandan parties generally has been good, and the contribution of own resources by Ugandan counterparts has been appropriate. 		
Programme organisation and administrative management	<ul style="list-style-type: none"> Administration and reporting of programme is generally of high quality. 	<ul style="list-style-type: none"> Local administration of programme (PCC) is considered extensive. 	<ul style="list-style-type: none"> There may be scope for simplifying the local administration of the programme. It is important to maintain the routine of drafting written TOR for each mission, and sharing these with all component managers and the OfD secretariat.

B.2.4 Revenue management pillar

Revenue management	Achievements	Challenges	Observations & Suggestions
Relevance	<ul style="list-style-type: none"> • Solid demand and commitment for the tax component of the OfD support from the Ugandan counterparts. <ul style="list-style-type: none"> ○ Tax related component gives support primarily to the Uganda Revenue Authority (URA), the Petroleum Directorate and the Office of the Auditor General (OAG). ○ Assistance comprises support to the URA in developing a Tax Manual, addressing topics such as transfer pricing, accounting standards, JV management and administrative procedures. 	<ul style="list-style-type: none"> • In order to further develop the tax manual and provide competency training, more real cases that relate to the Ugandan petroleum sector would be beneficial, i.e. real tax issues faced. So far the authorities have restrained the number of such cases (in terms of sharing example of cases) 	<ul style="list-style-type: none"> • OTO review of OfD programme was based on previous programme period (2010-2014), with participation in the 2015-2018 programme limited to one mission in autumn 2017..
	<ul style="list-style-type: none"> • Strong demand for the statistics component of the revenue pillar, comprising national accounts, business register, investment statistics, and institutional cooperation. • Support is provided mainly to the Uganda Bureau of Statistics (UBOS). 		<ul style="list-style-type: none"> • Statistics component: funding for this component has been particularly low for the whole programme period (5-7% p.a.), with the whole revenue pillar comprising approx. only a 16% share of the local account. The majority of the expenses under the revenue pillar is paid by the Norwegian side, including international travel.
Effectiveness	<ul style="list-style-type: none"> • Good cooperation and coordination between the Ugandan authorities is vital. This has improved and is generally relatively good. Joint URA/PAU/OAG workshops are an example of this. These three authorities share responsibility for the government take: <ul style="list-style-type: none"> ○ URA responsible for company taxation; ○ OAG responsible for government take under PSAs. 	<ul style="list-style-type: none"> • Additional OfD support for taxation is considered needed to (a) gather data and documentation from companies, (b) analyse such data, and (c) identify questions for clarifications. 	

Revenue management	Achievements	Challenges	Observations & Suggestions
	<ul style="list-style-type: none"> The UBOS component also reports goods good cooperation and coordination between the Ugandan authorities. 		<ul style="list-style-type: none"> For the UBOS component, no challenges have been communicated in relation to the allocation and transfer of local funds.
Efficiency		<ul style="list-style-type: none"> Revenue management needs better coordination with other donors active in this area. 	<ul style="list-style-type: none"> Better coordination of activities with other donors active in revenue management should be a focus for the new programme. This is important for planning activities and avoiding fragmentation of time schedules for participants, in particular in relation to IMF and DFID funded activities that provide extensive courses in petroleum taxation to Ugandan counterparts.
		<ul style="list-style-type: none"> Statistics component: better coordination with IMF. 	<ul style="list-style-type: none"> Statistics component: New programme period should focus on improved coordination of activities with other donors active in revenue management, especially the IMF and other donors active in Uganda.
Sustainability			<ul style="list-style-type: none"> Important for next programme: Better continuity of OfD activities in relation to petroleum taxation and supporting good cooperation and coordination between Ugandan authorities.
Programme organisation and administrative management	<ul style="list-style-type: none"> Tax (OTO) component: PCC plays important role for programme administration and management. It contributes to commitment to and ownership of the OfD programme. 		
		<ul style="list-style-type: none"> UBOS component: it would be beneficial to clarify the role and mandate of the PCC. 	<ul style="list-style-type: none"> Practices for funding OfD activities vary between the respective pillars and components. Common rules and practices for funding and use of local accounts would be beneficial. To improve knowledge and experience sharing, pillar managers and the Embassy should share mission reports

Revenue management	Achievements	Challenges	Observations & Suggestions
			<p>across the Norwegian participants of the programme.</p> <ul style="list-style-type: none"> • When Norwegian counterparts are meeting in-country, they should provide status reporting in writing, to save time in these meetings on status reporting.
			<ul style="list-style-type: none"> • Important to retain flexibility with regards to programme management, annual work programme and budgets, so as to enable ad hoc assistance when required and to adjust programme activities to participant's availability.

Annex C List of Interviewees

C.1 Ugandan counterparts

Organisation, Role	Person
Resource Management Pillar	
Ministry of Energy and Mineral Development, Permanent Secretary	• Robert Kasande
Directorate of Petroleum, OfD Resource Pillar Manager	• Andrew Ochan
Directorate of Petroleum (DP), Ag. Director, OfD Programme Manager	• Honey Malinga
Directorate of Petroleum (DP), OfD Programme Administrator	• Susan Kateme
Directorate of Petroleum, OfD Programme Accountant	• Emmanuel Odea
Directorate of Petroleum, Senior Accountant	• Paul Rubondo
Directorate of Petroleum (DP)	• Clovice Irumba
Directorate of Petroleum (DP), IT Unit	• Allan Joel Obalim
Petroleum Authority of Uganda (PAU), Executive Director	• Ernest Rubondo
Uganda National Oil Company (UNOC), Chief Operating Officer – Upstream	• Proscovia Nabbanja
Uganda National Oil Company (UNOC), Chief Legal & Corporate Affairs Officer	• Peter Muliisa
Environment Management Pillar	
Ministry of Water and Environment, Director of Environment Affairs	• Paul Mafabi
National Environmental Management Authority (NEMA), Principal Environment Inspector & Registrar of Environmental Practitioners of Uganda, OfD Environment Pillar Manager	• Isaac I G Ntujju
National Environmental Management Authority (NEMA), Programme Officer	• Percy Mucunguzi
National Environmental Management Authority (NEMA), Programme Officer	• Sarah Kawala
Ministry of Lands, Housing and Urban Development, Assistant Commissioner Physical Planning	• Emmanuel Kaganzi
Ministry of Lands, Housing and Urban Development, Commissioner, Physical Planning	• Vincent B Byendaimira
Uganda Wildlife Authority (UWA), Manager EIA & Oil Monitoring	• Justine Namara
National Forestry Authority (NFA), Environmental Impact Assessment Expert & Research Specialist	• Tom Rukundo
Revenue Management Pillar	
Ministry of Finance, Planning and Economic Development, Revenue Pillar Secretariat	• Priscilla Kisaakye
Uganda Revenue Authority (URA), Natural Resource Manager Unit, Large Taxpayers' Office, Domestic Taxes Department, OfD Revenue Pillar Representative	• Annet Bazalilaki
Uganda Bureau of Statistics (UBOS), Director of Business and Industry Statistics	• Peter Opio
Office of the Auditor General (OAG), Geologist	• Henry Luwmba Kasule
District level	
Albertine Graben Oil and Gas District Association (AGODA), Chairperson	• Hon. Simon A Kinene
Albertine Graben Oil and Gas District Association (AGODA), Executive Secretary	• Godie Kwizera
Albertine Graben Oil and Gas District Association (AGODA), Ex-Officio	• Christezom Kayise

C.2 Norwegian counterparts in Uganda

Organisation, Role	Person
Norwegian Embassy, Second Secretary	Tina Holtgaard Oulie
Norwegian Embassy, Minister Counsellor	Annlaug Ronneberg
Norwegian Embassy, Senior Advisor	Samuel Kajoba

C.3 Norwegian counterparts

Organisation, Role	Person
NORAD - Norwegian Agency for Development Cooperation, Department for Economic Development, Gender and Governance, OfD senior advisor	<ul style="list-style-type: none"> Per Landberg
NCA - Norwegian Coastal Administration, Horten, OfD component manager	<ul style="list-style-type: none"> Ole Kristian Bjerkemo
NEA - Norwegian Environmental Agency, Oslo, current and former OfD component managers	<ul style="list-style-type: none"> Frank Eklo Johnny Auestad
NPD - Norwegian Petroleum Directorate, Stavanger, current and former OfD component managers	<ul style="list-style-type: none"> Øyvind Kirkhus Odd Raustein
PSA – Petroleum Safety Authority Norway, Stavanger, OfD component manager	<ul style="list-style-type: none"> Paul Bang
OTO – Norwegian Oil Taxation Office, Oslo, OfD component manager	<ul style="list-style-type: none"> Trond Hjørungdal
SN – Statistics Norway, Oslo, OfD component manager	<ul style="list-style-type: none"> John Åge Haugen

C.4 IOC representatives in Uganda

Organisation, Role	Person
Tullow Uganda Operations Pty Limited, Commercial Manager	<ul style="list-style-type: none"> Dean Maitland
Total E&P Uganda, Joint Venture and Commercial Manager	<ul style="list-style-type: none"> Michael Idowu
CNOOC, Corporate Social Responsibility Manager, Corporate Affairs	<ul style="list-style-type: none"> Zakalia Lubega

C.5 Civil society organisations in Uganda

Organisation, Role	Person
Local CSOs	
Civic Response on Environment and Development (CRED)	<ul style="list-style-type: none"> Bashir Twesigye
Maendeleo Ya Jamii (MYJ)	<ul style="list-style-type: none"> Christine Nantongo
Advocates Coalition for Development and Environment (ACODE)	<ul style="list-style-type: none"> Onesmus Mugenyi
Uganda Association of Women Lawyers (FIDA)	<ul style="list-style-type: none"> Irene Ovonji-Odida
National Organisation of Trade Unions (NOTU)	<ul style="list-style-type: none"> Anthony Turyahebwa
Africa Centre for Media Excellence (ACME)	<ul style="list-style-type: none"> Bernard Tabaire
Avocats Sans Frontieres (collaborates with Caritas Hoima)	<ul style="list-style-type: none"> Romain Ravet
Uganda Law Society (ULS)	<ul style="list-style-type: none"> Gasana Deborah
Democratic Governance Facility (DGF)	<ul style="list-style-type: none"> Robina Kajwenge Manoba
International CSOs	
Transparency International (TI)	<ul style="list-style-type: none"> Peter Wandera
Natural Resource Governance Institute (NRGI)	<ul style="list-style-type: none"> Paul Bagabo
World Wildlife Fund (WWF)	<ul style="list-style-type: none"> Ivan Amaniga Ruhanga

Annex D Documents reviewed

OfD. April/May 2015. *Agreement between the Norwegian Ministry of Foreign Affairs and the Government of the Republic of Uganda regarding development cooperation concerning “Strengthening the Management of the Oil and Gas Sector in Uganda – Phase II.*

OfD. April/May 2015. *Institutional Cooperation Agreement between MEMD, MWE and MFPED and MPE, MCE, OTO and SN regarding the Management of the Oil for Development Sector in Uganda – Phase II, 2015-2018.*

OfD. Undated. *Oil for Development’s Theory of Change.* 2 page note.

OfD. 2015. *Annual Meeting Minutes.*

OfD. 2016. *Annual Meeting Minutes.*

OfD. 2017. *PCC Minutes.*

Republic of Uganda & Royal Norwegian Embassy. March 2015. *Programme Document. Strengthening the Management of the Oil and Gas Sector in Uganda. Phase II – 2015-2018. A Development Programme in Co-operation with Norway.*

ScanTeam. 2014. *Oil for Development Uganda 2009-2014. Review of Norway’s Support to the Petroleum Sector in Uganda.* Final Report.

Annex E Terms of Reference

INVITATION TO TENDER

Near-End Review of the Norwegian Support to the Programme
"Strengthening the Management of the Oil and Gas Sector in Uganda"

CASE NO. UGA-14/0019

The Norwegian Public Procurement Act and part I of the Norwegian Public Procurement Regulations applicable on the date the invitation to tender is sent to the tenderers apply to this contract.

1. GENERAL INFORMATION

The Royal Norwegian Embassy in Kampala, hereinafter referred to as the Contracting Authority, is inviting participation in a tender procedure to establish a contract for "Near-End Review" of the Norwegian Support to the "Programme Strengthening the Management of the Oil and Gas Sector in Uganda."

The Contracting Authority may invite the tenderers to negotiations provided the Contracting Authority, following an initial evaluation of the tenders, considers this appropriate.

The tentative schedule for the procurement process is:

Activity	Time/Date
Invitation to tender sent to specific suppliers	17 November 2017
Deadline for receipt of tenders	3 December 2017
Notification of award	6 December
Contract signature	13 December

All questions and enquiries regarding this invitation to tender are to be submitted by email to emb.kampala@mfa.no; Attn: Tina Holtgaard Oulie.

Complete tenders in English shall be delivered electronically to: emb.kampala@mfa.no by 3 December 2017. Write "Tender, case no. UGA-14/0019. Oil for Development" in the subject field.

All tenderers will be notified by email when a decision has been made on the award of contract.

Neither the tenderer, nor any of the members of the review team, shall have any existing or potential conflict of interest during the course of undertaking the tendered assignment. By conflict of interest is meant, in particular, if the tenderer or any individual member of the review team has been directly involved in the planning or implementation of any key part of the object under review or has, or has had any association to institutions or persons involved that may imply an interest in any particular outcome of the review, or is likely to cast doubt about the independence and objectivity of the evaluation by interested stakeholders.

Any association with the object of review or institutions or persons involved, which may potentially harm the independence and objectivity or the credibility of the review shall be explicitly disclosed by the tenderer, providing detailed information on the character and scope of association with object of review or persons involved in the intervention. In such cases, the tenderer must also

elaborate on how this potential conflict of interest will be handled by the tenderer. The Norwegian Embassy in Kampala will make the final decision regarding conflict of interest.

2. ABOUT THE CONTRACT

2.1 Description of the services required

2.1.1 OBJECTIVE

The main purpose of the review is to compile lessons and experience from the current Programme as basis for inputs and recommendations to the new programme.

The objective is two-fold:

- i. Assess how the current Programme is operating, and to what extent it has achieved the intended results.
- ii. Present recommendations to be considered for the new programme.

2.1.2 BACKGROUND

Norway has supported the development of the management of the oil and gas sector in Uganda since 2005. Support was initially provided mainly for resource management. In 2009 a comprehensive Programme agreement was signed between the Norway and Uganda - "Strengthening the Management of the Oil and Gas Sector in Uganda". The agreement initially ran for five years, but was extended to early 2015.

In 2015, a new Oil for Development (OfD) Programme was agreed, to run for three years, with a total grant of NOK 53 million. The Programme is composed of three main components – resource, revenue and environment – in addition to the Programme management component. The Programme is based on a Programme Agreement between Uganda's Ministry of Finance, Planning and Economic Development (MoFPED) and the Norwegian Ministry of Foreign Affairs (NMFA) and an Institutional Cooperation Agreement between seven parties. The Agreement is managed by the Norwegian Embassy in Kampala. Norad, as the Oil for Development Secretariat, has a coordinating role for the Norwegian institutions. The Programme will come to an end in March 2018. It has recently been decided to develop a new program for the period from April 2018 until the end of 2022.

The current Programme Agreement includes provision for an external end-term review. For the purpose of planning the new programme, it has been decided to complete the review in advance of the conclusion of the current agreement: a near-end review. The objective with this review is to evaluate the current Programme as basis for the planning of the new program.

The review will be a joint review between Uganda and Norway. In accordance with the Programme agreement, Norway, through the Royal Norwegian Embassy in Kampala, shall be the contract partner for the selected Consultant.

2.1.3 SCOPE

With a basis in the objectives above, the review should seek to address the following issues and questions, in accordance with the OECD-DAC criteria for evaluation of development programmes:

- 1) Evaluation of the current phase of the Programme
 - a) Assess the effectiveness of the Programme: :
 - i. To what extent have the planned outcomes been achieved, and what have the main obstacles and success factors been?
 - ii. Can any changes in how the involved Ugandan institutions carry out their responsibilities be attributed to the Programme?
 - iii. Where are the results of the current Programme likely to have most impact, and in which areas are no or little impact be expected?
 - iv. To what extent the Programme has contributed to good governance, anti-corruption, transparency, and accountability in Uganda. Can any negative impact be attributed to the Programme?

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- b) Assess the sustainability of the results achieved, in particular with regard to sustainable capacity- and institution building in the target institutions.
 - i. What were the major factors that influenced the achievement or non-achievement of sustainability?
 - c) Assess the extent to which the Programme scope and the Norwegian experience and expertise have been relevant to meet the different needs of Uganda in order to build national competence and capacity within the petroleum sector.
 - d) Assess the efficiency of the Programme, in particular an assessment of results achieved compared to resources invested.
 - i. What are measures taken that contribute to good value-for-money?
 - ii. Could additional measures have been taken to operate more cost efficiently?
 - iii. How is the efficiency particularly for the use of local funds in the program?
- 2) Recommendations for the new program period
- a) On the basis of the evaluation of the current Programme, propose improvements regarding the above issues (1 a – 1 d).
 - b) Within the resource, environment, safety and revenue management components, what are the most pressing needs that the Programme should address in a next phase? What are areas that may be discontinued based on institutional capacity or other factors? Identify measures the Programme could take to increase transparency and strengthen the public's ability to hold the authorities accountable for the petroleum management.

2.1.4 IMPLEMENTATION OF THE REVIEW

The review shall be carried out through studies of available documentation, both general documents and project specific documents. A list of relevant documentation shall be provided to the selected tenderer. At the approval of the partner institutions, the Consultant may request additional information as perceived relevant in order to deliver on the requirements as specified in this Invitation to Tender.

Interviews shall be conducted with relevant actors in Uganda in the implementing institutions, as well as other relevant stakeholders, including the major E&P companies in Uganda and relevant civil society organisations.

Interviews with the relevant institutions in Norway is not part of the scope of work for the Consultant. Such interviews will be conducted by Norad in accordance with the standard questionnaire to be developed by the Consultant and the findings will be documented by Norad, submitted to the Consultant, for inclusion in the evaluation report. A preliminary list of relevant institutions in Uganda and in Norway shall be provided to the selected tenderer.

Prior to commencement of interviews, the Consultant shall discuss and agree the list of institutions, organisations and companies with the Norwegian Embassy in Kampala and the Program management representatives in Uganda.

The review shall be carried out in close cooperation with relevant authorities in Uganda and Norway. The Norwegian Embassy in Kampala shall be the main point of contact.

2.2 DELIVERABLES AND TIMEFRAME

A Draft Final Report in English shall be submitted to the Norwegian Embassy in Kampala, no later than 9 weeks after the commencement of the review (contract signed). The Embassy will subsequently forward the report to the Ugandan authorities.

The Report shall comprise a maximum forty pages, inclusive of;

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- i. an Executive Summary of the main the findings comprised in not more than four pages;
 - ii. Conclusions and Recommendations.

Any comments to the draft final report shall be forwarded to the Consultant within two weeks after receipt of the draft.

The final report shall subsequently be submitted 2 weeks after receipt of comments.

The final report shall be submitted in 3 hardcopies as well as an electronic version in Microsoft Word.

2.3 CONTRACT TYPE

The Consultancy Assignment Agreement, as enclosed as Appendix 2 to this Invitation to Tender shall be used.

3. CONDITIONS FOR PARTICIPATION

3.1 The Consultant must at least be a single person company with company registration number or equivalent for foreign companies. The Embassy shall not pay individuals on the basis of a Consultancy Assignment Agreement.

3.2 Technical and/or professional ability

Conditions for participation: Tenderers must be able to document experience of relevant consultancy services in the past three years.

Documentation that must be provided: Details of similar services provided by the tenderer during the past three years, including their value, their content, the names of the clients and the tenderer's role in the services.

3.3 Mandatory qualifications of the consultant

The Consultant shall have the following qualifications:

- i. knowledge of the Oil for Development programme;
- ii. experience from design and management of international development assistance programmes;
- iii. extensive experience in appraisal, implementation and review of institutional development programmes in Africa;
- iv. experience from government management of the petroleum sector, preferably petroleum administration and management, is desirable;

The Consultant shall be independent of the activities to be reviewed and shall have no stake in the outcome of the review.

3.4 Desirable qualifications of the consultant

It is desirable that the Consultant has the following qualifications:

- i. knowledge of specific petroleum/resource sector challenges;
- ii. Uganda-specific experience.

3.5 MANDATORY DOCUMENTATION

Signed "Declaration of good conduct", Appendix 1.

4. AWARD CRITERIA

4.1 Proposed solution for the service required (weight 40 %)

Tenderers must submit a description of the proposed solution in accordance with chapter 2.1. This should include an assessment of risk factors and a progress plan.

4.2 Expertise specific to the service required (weight 20 %)

Tenderers must submit details of relevant competence and experience for each of the consultants they propose to use. A CV should be submitted for each consultant as additional documentation of competence and experience.

4.3 Prices (weight 40 %)

The contract value shall not exceed NOK 300,000.

A fixed price (excluding VAT) must be provided for the assignment, indicating proposed budget for all reimbursable costs.