

UGANDA
Second National Trade Sector Review and DTIS Validation Conference
Kampala, October 2-4, 2006

Aide Memoire

On October 2-4, 2006 the Second National Trade Sector Review and DTIS Validation Conference was held in Kampala.

Following the conference, discussions took place on the follow-up steps and implementation process of the DTIS action matrix between the Ministry of Tourism, Trade and Industry (MTTI), the IF Donor Facilitator (EC), SIDA and representatives of ITC, UNCTAD, UNDP and the World Bank.

Agreement was reached on the following steps:

1. Finalize and circulate the report of the conference.

Action by: The IF National Focal Point (MTTI).

Timing: October 13, 2006.

2. Formulate projections for external financing of DTIS Action Matrix for Medium Term Expenditure Framework. This will be done within the PSD donor group.

Action by: IF donor facilitator (EC)

Timing: October 2006.

3. Prepare the final version of DTIS/DTIS Action Matrix, based on the outcome of the workshop. During the conference a number of new recommendations were formulated. These recommendations and suggested changes to the action matrix will have to be collated and submitted to the DTIS Team leader. In submitting those recommendations, a clarifying text should accompany each of the recommendations.

Action by: The IF National Focal Point (MTTI)

Timing: October 20, 2006

Action by: DTIS Team Leader in consultation with National Focal Point

Timing: November 3, 2006.

4. Organize exercise to identify the priority clusters of the Action Matrix and determine the sequencing of activities within each priority cluster. Participants to this exercise should be alerted of the budgetary implications of this exercise.

Action by: National Focal Point.

Timing: mid November 2006

5. Formulate, in close consultation with other core ministries and IF Donor Facilitator (EC), the main features of the IF implementation structure, and the terms of reference for Implementation Committee and Secretariat to administer implementation of the action matrix beyond Window II.

An Implementation Committee will serve as the overview body guiding the implementation process. The Secretariat will be in charge of supporting the implementation process, focusing on inter-ministerial coordination and coordination with multilateral and bilateral donors.

Issues to be considered in setting up this implementation structure include reaffirmation of MTTI as the lead ministry, membership of Implementation Committee and funding of Secretariat.

A costed implementation plan will be attached to the final version of the DTIS/DTIS Action Matrix to be submitted to the Cabinet for final approval by December 8, 2006.

Action by: IF Focal Point, in consultation with core ministries and IF donor facilitator.

Timing: Mid October-mid November 2006.

6. Approval of final version of DTIS/DTIS Action Matrix by National Steering Committee, including the approval of the outcome of the prioritization exercise and the proposed implementation structure.

Action by: IF National Focal Point/National Steering Committee.

Timing: End of November, 2006

7. Submission of final version of National Trade Policy Document and DTIS/DTIS Action Matrix, the outcome of the prioritization exercise and the proposed implementation structure to Cabinet for approval.

Action by: MTTI (Department of Trade and IF National Focal Point).

Timing: Latest January 2007.

8. Overall coordination of the formulation of Window II project proposals based on identification of top priorities in the action matrix. The maximum allocation is

US\$ 1 million. Projects have to be approved by the Local Project Appraisal Committee (LPAC). Membership of the LPAC will include as a minimum the Ministry of Tourism, Trade and Industry, the Ministry of Finance, Planning and Economic Development the IF donor facilitator (EC), UNDP Resident Representative or delegate, the World Bank Country Manager or delegate and the private sector. MTTI will chair the LPAC meetings on all projects for which it will not be the direct beneficiary.

Project proposals should be submitted to UNDP HQ within one year of Cabinet approval of the National Trade Policy document and the DTIS/DTIS Action Matrix.

Close coordination with the UNDP Country Office is required. Initial project selection could take place in National Steering Committee, to be followed by LPAC approval. Specific procedures and project guidelines have been developed by UNDP.

Possible sources for project preparation activities include the respective ministries, ITC, UNDP or bilateral donors and topping up of funding for the Strengthening National Implementation project (current budget US\$38,000 and administered by UNDP).

Action by: IF National Focal Point

Timing: Start preparation of project proposals: End of December 2006.

Approval Window II proposals by LPAC: April 2007.

9. Elevate trade issues into the National processes by including the prioritized clusters of the Action Matrix into the discussions during the Annual PEAP Implementation Review Process (APIR) and finally the APIR Conference scheduled for November 30, 2006 and in the sector's budget framework paper (BFP), to be submitted to Ministry of Finance Planning and Economic Development.

Action by: MTTI, in consultation with Office of the Prime Minister and the MFPED for the APIR and budget process, respectively.

Timing: November 2006.

10. Set up Implementation Committee and Implementation Secretariat to administer implementation of the Action Matrix beyond Window II.

Action: MTTI (IF National Focal Point).

Timing: January 2007.

11. Main activities of the implementation process include:

- Specific sequencing and timing of the activities within each priority cluster and identification of “funding gaps” for which donor funding will be sought.
- “Translation” of these gaps into concrete project outlines and their costing.
- Consultations with donors to identify funding mechanism, including a multi-donor basket fund.
- Consultation and lobbying of other Government Ministries and Institutions to take forward relevant policy decisions and actions. This also entails the budgetary implications for individual ministries, responsible for the implementation of priority clusters.

Action by: Implementation Secretariat, Implementation Committee. IF donor facilitator and other donors.

Timing: January 2007 onwards

12. Set up system to monitor the implementation process.

Action by: Implementation Secretariat.

Timing: January 2007 onwards.

Kampala, October 5, 2006.