



Project Name	Competitiveness and Enterprise Development Project (CEDP)
Project Number	P130471
Component	Matching Grant Facility (MGF)
Reporting Period	April – June 2015
Reporting to:	Project Coordinator
Title:	Quarterly Progress Report
Contact Details	Grants Manager
Funding	GOU/IDA

Background

The Government of Uganda received credit from the World Bank towards implementation of the Competitive and Enterprise Development Project (CEDP). The Matching Grant Facility (MGF) is under component four of the Competitiveness and Enterprise Development project and implemented by PSFU under the supervision of the Project Coordination Unit.

Objective of the MGF

The objective of the MGF is twofold and includes:

- 1) Improving enterprise capacity by facility beneficiaries access grants of up to 50% towards use of specific business development services (BDS)
- 2) Increasing the growth and competitiveness of the private sector in order to maximize returns on products/services through value chain analysis

The MGF seeks to support interventions in high potential and sector specific sub-sectors including; tourism, coffee, horticulture, grains and pulses, fisheries, edible oils, and ICT.

Implementation

Although overall project effectiveness for CEDP was realized in 2013, the MGF became effective in March 2015 following the recruitment of the operations team including the Grants Manager, 4 Business Advisors and the Project Accountant. During the quarter the MGF Team's human resource capabilities were boosted with the Client Relations and Monitoring & Evaluation Officers joining the Team. The MGF component is expected to wind down in 2019.

Summary of Progress Achieved during the Quarter

All activities prescribed in the roadmap for the operationalization of the MGF were successfully undertaken during the quarter. Consequently the MGF was launched on May 14, 2015 and a number of activities have been executed in line with the work plan. These include but are not limited to the following:

- a) Finalizing the review and update of the MGF operations manual.

- b) Updated all the project forms and documents needed to guide operations of the MGF.
- c) Developed project materials such as the MGF logo, fact sheet and website portal to generate awareness, interest and visibility for the MGF.
- d) Held the MGF Manual validation workshop at Hotel Africana on the 17th April 2015 to share the contents of the operations manual, critique the manual and gather key issues of attention from the major stakeholders.
- e) Completed the first phase of the MGF website portal with the MGF website link address at www.cedpmgf.go.ug
- f) The MGF was formally launched on May 14, 2015 by Hon. David Bahati, Minister of State for Finance (In charge of Planning). The Chairman Board of Directors – PSFU, the TTL from the World Bank country office and other dignitaries; and members of the private sector participated in the launch.
- g) A call for proposals was publicized on May 15, 2015 in both the Monitor and the New Vision newspapers respectively.
- h) Sectorial analysis reports for the Fisheries, ICT, Tourism; and Agribusiness including Coffee, Grains and Pulses have been undertaken and finalized by the respective Advisors.

Response to Call for Proposals

The MGF received up to 520 applications including 66 from Fisheries, 253 Agribusiness related, 97 from Tourism and 85 ICT related on the first call for proposals.

Table 1: Total Number of Proposals and Applications received under Round 1

Sectors	Applications Received
Non-classified	19
Fisheries	66
Agribusiness	253
Tourism	97
ICT/Business Process Outsourcing	85
Total	520

- All applications and proposals are currently being reviewed and appraised in line with the eligibility guidelines.
- A database of all applicants has been developed and communication acknowledging receipt of proposals/applications emailed out.
- Grant awards under Round 1 of the Call for Proposal is expected in the 1st week of August 2015

Project Management

Project implementation;notwithstanding a few procurement related and staff challenges, got off to a good start with the proposed roadmap implemented as expected by the end of the first quarter. An induction phase was heldto orient the team with the fundamentals of grants management and the necessary documents including the PAD, POM and MGF Manuals were reviewed and internalized. A number of workshops have been attended and experiences shared with various stakeholders. In additional the following activities have been accomplished:

- a) Monthly progress reports on the performance of the MGF have been compiled by the Business Advisors and Manager
- b) For promotional purposes a number of initiatives have been undertaken by the Team including participation in various events including the PEWOSA Trade fair, CBS live radio talk shows, presentation to UWEAL, etc.
- c) The Advisors in their individual capacities were engaged in a number of events geared to promoting and sharing synergies with other stakeholders which included:
 - Participating in Agricultural Finance Coordination and Action Plan platform meeting
 - Participating in Youth Entrepreneurship and Agribusiness Development meeting conducted at PSFU
 - Sector survey questionnaires to BPO clients to collect sector baseline information
 - Attended the launch of a new tourism product called “*Entanda*” which is about community tourism and entails visitors having an experience of the traditional village life.

- Met prospective clients and attended to other formal meetings including one with the National Coordinator of CICS regard MGF support.
- Participated in Youth Entrepreneurship and Agribusiness Development meeting
- Participated in National Fruit Sector Platform meeting conducted at SNV office

Planned Activities for the next Quarter

A number of activities are planned for in the coming quarter in an effort to move towards realizing the intended objectives of the MGF including;

- a. Preparing the MGF component's activity work plan, procurement plan and budget for FY2015/16
- b. Analyzing the information from the baseline surveys to determine baseline information.
- c. Developing MGF key performance indicators (KPIs) based on the baseline information obtained.
- d. Appraising all received applications and proposals including due diligence before award and approval of grants.
- e. Participating in the 23rd source of the Nile agricultural exhibition and trade show.
- f. Award of grants to successful applicants
- g. Monitor and follow through on clients' performance of supported activities while updating stakeholders on implementation status.
- h. Prepare to run the next round of call for proposals in the first quarter of the FY2015/16
- i. Participate in MGF promotional related activities including workshops, seminars and outreach campaigns.
- j. Handhold clients and review submitted deliverables to facilitate disbursements.

Challenges

As mentioned under project management, the MGF has had some challenges to do with staffing and procurement of needed office equipment. For instance at the end of the first quarter, the following were yet to be resolved:

- The procurement of office equipment/facilities such as laptops, printer, photocopiers, cabinets, internet, etc. is pending to date.
- Limited transport facilities resulting into some staff using own transport means for official related work.
- Lack of staff medical insurance agreed too during the negotiations for the MGF staff.
- The M & E officer is required to set up the monitoring and evaluation strategy for the Matching Grant Facility (MGF).
- The recruited MGF Accountant resigned and needs to be replace to deal with the anticipated disbursement traffic.

Key Recommendations

The following key performance issues still require urgent attention and must be concluded to allow for a smooth implementation of the MGF.

- i. There is a need to quickly fill the MGF Accountant's position before the disbursement process for the MGF grants begin in the next quarter.
- ii. To complete the recruitment process for the Monitoring and Evaluation officer so that latter works with the Manager and Business Advisors on the MGF monitoring requirements including the baseline survey for the Facility.
- iii. To Constitute and finalize the needed committees including the MGF Review Committees.