

Document of
The World Bank

Report No: ICR00001742

IMPLEMENTATION COMPLETION AND RESULTS REPORT
(IDA-3690A IDA-36900 TF-51204)

ON A

CREDIT
IN THE AMOUNT OF US\$27.0 MILLION EQUIVALENT

AND A

GLOBAL ENVIRONMENTAL FACILITY GRANT
IN THE AMOUNT OF US\$8.0 MILLION

TO THE

REPUBLIC OF UGANDA

FOR A

PROTECTED AREAS MANAGEMENT AND SUSTAINABLE USE PROJECT

December 29, 2011

Environment and Social Development Unit
Africa Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective November 14, 2011)

Currency Unit = Ugandan Shilling

UGS1.00 = US\$0.0003818

US\$ 1.00 = UGSh2,619

FISCAL YEAR

[January 1 – December 31]

ABBREVIATIONS AND ACRONYMS

CAS	Country Assistance Strategy
CAST	Conservation and Sustainable Tourism
CBD	Convention on Biological Diversity
CBO	Community Based Organization
CFAA	Country Financial Accountability Assessment
CITES	Convention on International Trade in Endangered Species
COP	Conference of Parties
DAM	Department of Antiquities and Museums
EC	European Commission
EFMP II	Second Economic and Financial Management Project
EOP	End of Project
GEF	Global Environment Fund
GOU	Government of Uganda
IA	Implementing Agency
ICB-PAMSU	Institutional Capacity Building for Protected Areas Management and Sustainable Use
IDA	International Development Association
ITMP	Integrated Tourism Master Plan
MF	Murchison Falls National Park
MTTI	Ministry of Tourism, Trade and Industry
NDP	National Development Plan
NGO	Non-Governmental Organization
NP	National Parks
PA	Protected Area
PAMSU	Protected Areas Management and Sustainable Use
PASP	Protected Areas System Plan
PCU	Project Coordination Unit
PEAP	Poverty Eradication Action Plan
PRSC	Poverty Reduction Support Credit
PRSP	Poverty Reduction Support Paper
QE	Queen Elizabeth National Park
SWAP	Sector Wide Action Plan
TA	Technical Assistance
TOR	Term of Reference
UMMA	Uganda Museums and Monuments Agency
UTB	Uganda Tourist Board

UWA	Uganda Wildlife Authority
UWEC	Uganda Wildlife Education Centre
UWE	Uganda Wildlife Education
UWS	Uganda Wildlife Statute

Vice President: Obiageli Katryn Ezekwesili
 Country Director: Mercy Tembon (Acting)
 Sector Manager: Idah Z. Pswarayi-Riddihough
 Project Team Leader: Ellen Tynan
 ICR Team Leader: Ellen Tynan

REPUBLIC OF UGANDA

PROTECTED AREAS MAINTENANCE AND SUSTAINABLE USE PROJECT

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A. Basic Information			
Country:	Uganda	Project Name:	Protected Areas Management and Sustainable Use Project
Project ID:	P065437,P075932	L/C/TF Number(s):	IDA-36900,IDA-3690A,TF-51204
ICR Date:	12/29/2011	ICR Type:	Core ICR
Lending Instrument:	SIL,SIL	Borrower:	THE REPUBLIC OF UGANDA
Original Total Commitment:	XDR 21.70M,USD 8.00M	Disbursed Amount:	XDR 21.70M,USD 8.00M
Environmental Category: C,C		Focal Area: B	
Implementing Agencies: Uganda Wildlife Authority (UWA) Uganda Wildlife Centre (UWEC) Ministry of Tourism, Trade and Industry Uganda Museums and Monuments Agency			
Cofinanciers and Other External Partners:			

B. Key Dates				
Protected Areas Management and Sustainable Use Project - P065437				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	10/04/2001	Effectiveness:	12/04/2002	12/04/2002
Appraisal:	11/26/2001	Restructuring(s):		
Approval:	07/09/2002	Mid-term Review:	10/03/2005	10/19/2005
		Closing:	12/31/2007	03/31/2011

Protected Areas Management and Sustainable Use GEF - P075932				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	10/04/2001	Effectiveness:		12/04/2002
Appraisal:	11/26/2001	Restructuring(s):		
Approval:	07/09/2002	Mid-term Review:	10/03/2005	10/19/2005
		Closing:	12/31/2007	06/30/2010

C. Ratings Summary	
C.1 Performance Rating by ICR	
Outcomes	Moderately Satisfactory
GEO Outcomes	Moderately Satisfactory
Risk to Development Outcome	Moderate
Risk to GEO Outcome	Moderate
Bank Performance	Moderately Unsatisfactory
Borrower Performance	Moderately Unsatisfactory

C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)			
Bank	Ratings	Borrower	Ratings
Quality at Entry	Moderately Unsatisfactory	Government:	Moderately Unsatisfactory
Quality of Supervision:	Moderately Satisfactory	Implementing Agency/Agencies:	Moderately Satisfactory
Overall Bank Performance	Moderately Unsatisfactory	Overall Borrower Performance	Moderately Unsatisfactory

C.3 Quality at Entry and Implementation Performance Indicators			
Protected Areas Management and Sustainable Use Project - P065437			
Implementation Performance	Indicators	QAG Assessments (if any)	Rating:
Potential Problem Project at any time (Yes/No):	No	Quality at Entry (QEA)	None
Problem Project at any time (Yes/No):	Yes	Quality of Supervision (QSA)	None
DO rating before Closing/Inactive status	Satisfactory		

Protected Areas Management and Sustainable Use GEF - P075932			
Implementation Performance	Indicators	QAG Assessments (if any)	Rating:
Potential Problem Project at any time (Yes/No):	No	Quality at Entry (QEA)	None
Problem Project at any time (Yes/No):	No	Quality of Supervision (QSA)	None
GEO rating before Closing/Inactive Status	Satisfactory		

D. Sector and Theme Codes		
Protected Areas Management and Sustainable Use Project - P065437		
	Original	Actual
Sector Code (as % of total Bank financing)		
Central government administration	45	45
General agriculture, fishing and forestry sector	50	50
Other social services	5	5
Theme Code (as % of total Bank financing)		
Biodiversity	33	33
Environmental policies and institutions	33	33
Land administration and management	17	17
Rural non-farm income generation	17	17

Protected Areas Management and Sustainable Use GEF - P075932		
	Original	Actual
Sector Code (as % of total Bank financing)		
Central government administration	20	20
General agriculture, fishing and forestry sector	80	80
Theme Code (as % of total Bank financing)		
Biodiversity	24	24
Environmental policies and institutions	25	25
Land administration and management	25	25
Participation and civic engagement	13	13
Rural non-farm income generation	13	13

E. Bank Staff		
Protected Areas Management and Sustainable Use Project - P065437		
Positions	At ICR	At Approval
Vice President:	Obiageli Katryn Ezekwesili	Callisto E. Madavo
Country Director:	Mercy Miyang Tembon	Judy M. O'Connor
Sector Manager:	Idah Z. Pswarayi-Riddihough	Richard G. Scobey
Project Team Leader:	Ellen J. Tynan	Nathalie Weier Johnson
ICR Team Leader:	Ellen J. Tynan	
ICR Primary Author:	Richard J. Carroll	

Protected Areas Management and Sustainable Use GEF - P075932		
Positions	At ICR	At Approval
Vice President:	Obiageli Katryn Ezekwesili	Callisto E. Madavo
Country Director:	Mercy Miyang Tembon	Judy M. O'Connor
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ICR Primary Author:	Richard J. Carroll	

F. Results Framework Analysis

Project Development Objectives (from Project Appraisal Document)

Sustainable and cost-effective management of Uganda's wildlife and cultural resources. Sustainability is promoted through a combination of (1) providing funds for improving Uganda's ability to attract tourists to its wildlife and cultural heritage while, (2) encouraging cost-effective management strategies so as to reduce overall operating costs of the institutions managing these resources.

Revised Project Development Objectives (as approved by original approving authority)
N/A

Global Environment Objectives (from Project Appraisal Document)

The global environmental objective is to ensure the effective, long-term conservation of Uganda's biodiversity in the face of competing economic pressures.

Revised Global Environment Objectives (as approved by original approving authority)
N/A

(a) PDO Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	UWA Own revenues as proportion of recurrent costs			
Value (quantitative or Qualitative)	49%	90%	59%	77%
Date achieved	01/31/2002	07/10/2002	06/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement (77/90=85) % of target. Completion value is estimated from end-2010 calendar year accounts.			
Indicator 2 :	UWEC Own revenues as proportion of recurrent costs			
Value	35%	110%	60% (est)	95%

(quantitative or Qualitative)				
Date achieved	01/31/2002	07/10/2002	11/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement (95/110=86) % of target. Completion value is from end-2010 calendar year accounts.			

(b) GEO Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	Proportion of PAs showing evidence of increased population of key mammal species			
Value (quantitative or Qualitative)	0%	100%	80%	100%
Date achieved	01/31/2002	07/10/2010	11/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement 100% of target.			
Indicator 2 :	Number of PAs with significant conflicts relating to community use or access			
Value (quantitative or Qualitative)	19	0	4	2
Date achieved	01/31/2002	07/10/2002	11/30/2007	01/31/2011
Comments (incl. % achievement)	Lower numbers are better. Final achievement calculated as 89% of original target (revised target was reduction in 15, achievement was reduction in 17).			

(c) Intermediate Outcome Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	Own revenue generation of UWA (billion UG SHS)			
Value (quantitative or Qualitative)	4.7b	10	10.8b	15.7b
Date achieved	01/31/2002	07/10/2002	06/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement 157% of target. Completion value is estimated from end-2010 calendar year accounts.			
Indicator 2 :	UWA Reserve Fund Revenues Available (US\$)			

Value (quantitative or Qualitative)	0	\$1,000,000	\$2.014M	\$5.7M
Date achieved	01/31/2002	07/10/2002	11/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement 570% of target. Completion value is estimated from end-2010 calendar year accounts.			
Indicator 3 :	Number of visitors to PAs			
Value (quantitative or Qualitative)	66,542	200,000	96,932 based on 9 month figures	142,884
Date achieved	01/31/2002	07/10/2002	09/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement 71% of target. Completion value is estimated from end-2010 calendar year accounts and thus reflects external global downturn in visitations due to 2009/2010 financial crisis.			
Indicator 4 :	Tourism Policy adopted & enabling legislation enacted			
Value (quantitative or Qualitative)	No Policy or legislation	Policy and legislation in place	Policy adopted. Tourism Bill awaiting second reading	Policy adopted. Tourism Bill enacted
Date achieved	01/31/2002	07/10/2002	11/30/2007	11/30/2008
Comments (incl. % achievement)	Final achievement 100% of target.			
Indicator 5 :	A national site registry for all antiquities and monuments database developed			
Value (quantitative or Qualitative)	None	Done	Done	Done
Date achieved	01/31/2002	07/10/2002	05/20/2006	05/20/2006
Comments (incl. % achievement)	Final achievement 100% of target.			
Indicator 6 :	Cultural sites gazetted or developed			
Value (quantitative or Qualitative)	0	10 sites	Site registry has been completed and 20 sites have been identified for potential development	Site registry has been completed and 20 sites have been identified for potential development
Date achieved	01/31/2002	01/31/2010	03/31/2005	01/31/2010
Comments (incl. % achievement)	Final achievement 200% of target (gazetted).			
Indicator 7 :	UWA Central recurrent costs as proportion of total recurrent costs			
Value (quantitative or Qualitative)	42%	30%	41%	<30% (excludes PAMSU costs)

Qualitative)				
Date achieved	01/31/2002	07/10/2002	06/30/2007	01/31/2011
Comments (incl. % achievement)	Lower numbers are better. Final achievement >100% of target (target reduction was 12%, actual reduction was >12%).			
Indicator 8 :	UWA Boundaries demarcated in PA system			
Value (quantitative or Qualitative)	0%	100%	>80%	80.6%
Date achieved	01/31/2002	07/10/2002	11/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement 80.6% of original target.			
Indicator 9 :	UWA proportion of field staff housed adequately on-site			
Value (quantitative or Qualitative)	10%	100%	10%	Approx 50%
Date achieved	01/31/2002	07/10/2002	11/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement 50% of target.			
Indicator 10 :	UWEC Total Visitors			
Value (quantitative or Qualitative)	144,030	250,000	174,104 (12 months)	213,198
Date achieved	01/31/2002	07/10/2002	12/31/2006	01/31/2011
Comments (incl. % achievement)	Final achievement 85% of target. Completion value is estimated from end-2010 calendar year accounts and thus reflects external global downturn in visitations due to 2009/2010 financial crisis.			
Indicator 11 :	UWEC Capital in Endowment Fund			
Value (quantitative or Qualitative)	0	US\$1M	US\$880,000 invested	US\$920,000
Date achieved	01/31/2002	07/10/2002	11/30/2007	01/31/2011
Comments (incl. % achievement)	Final achievement 92% of target. Completion value is estimated from end-2010 calendar year accounts.			
Indicator 12 :	Tourism Development Fund Levy Revenues			
Value (quantitative or Qualitative)	0	>0	0: Levy entrenched in Tourism Bill	Levy entrenched in Tourism Bill; proxy of local Government Service Tax capturing UgSh2billion for Hotel occupancy
Date achieved	01/31/2005	07/10/2002	11/30/2007	01/31/2011
Comments	Final achievement 100% of target.			

(incl. % achievement)	
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G. Ratings of Project Performance in ISRs

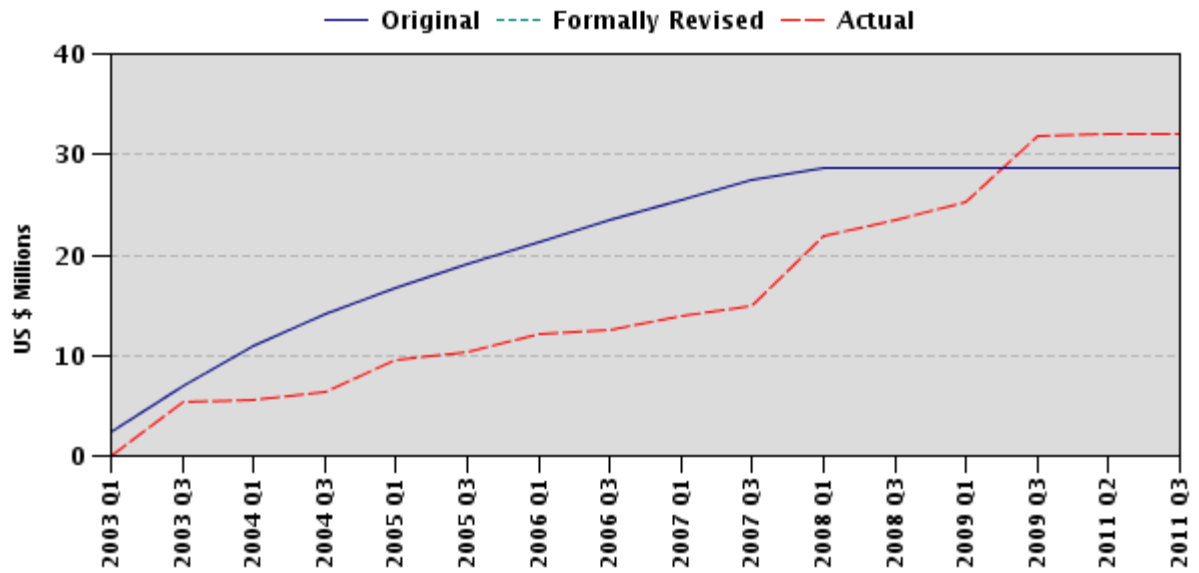
-						
No.	Date ISR Archived	DO	GEO	IP	Actual Disbursements (USD millions)	
					Project 1	Project 2
1	10/01/2002	S	S	S	0.00	0.00
2	05/29/2003	S	S	S	5.40	1.11
3	11/26/2003	S	S	S	5.93	1.58
4	05/28/2004	S	S	S	6.39	1.94
5	12/15/2004	S	S	S	9.60	2.90
6	06/20/2005	S	S	MU	11.91	3.57
7	12/19/2005	S	S	MS	12.59	4.40
8	06/19/2006	S	S	MS	12.59	4.91
9	06/29/2006	S	S	MS	12.59	4.91
10	12/15/2006	S	S	MS	14.10	5.51
11	06/29/2007	S	S	MS	15.86	6.14
12	12/18/2007	S	S	S	22.00	6.61
13	06/05/2008	S	S	S	24.08	7.14
14	11/24/2008	S	S	S	25.33	7.20
15	11/26/2008	S	S	S	25.33	7.20
16	05/26/2009	S	S	S	31.74	7.69
17	12/16/2009	S	S	S	31.99	7.77
18	06/22/2010	S	S	S	31.99	7.79

H. Restructuring (if any)

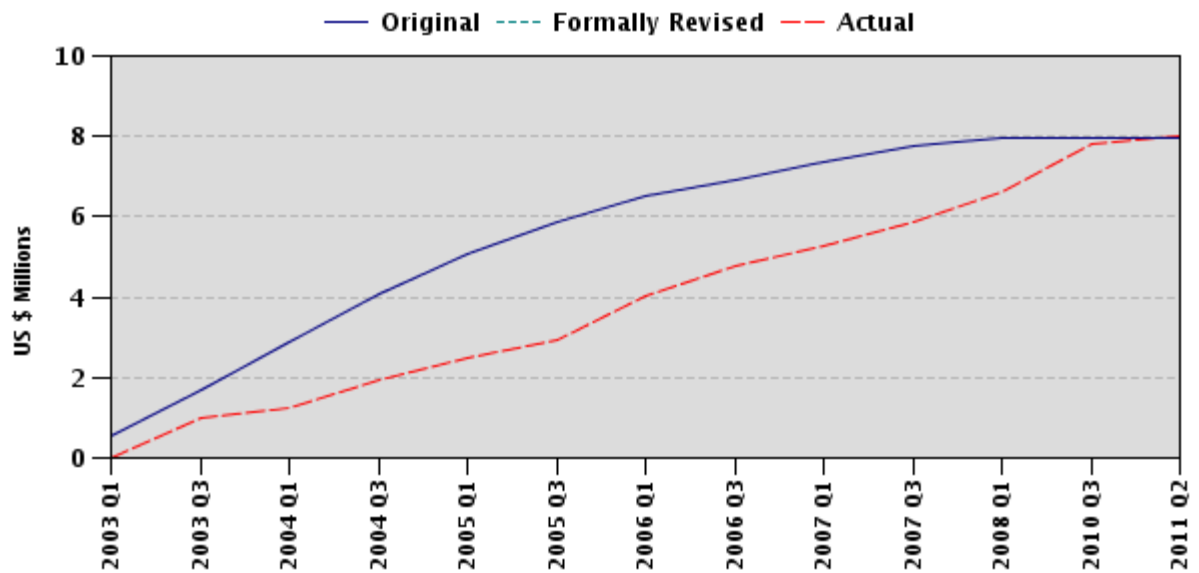
Not Applicable

I. Disbursement Profile

P065437



P075932



1. Project Context, Development and Global Environment Objectives Design

1.1 Context at Appraisal

Uganda is the fourth most densely populated country in Africa with 85 people per square kilometer, largely dependent on smallholder agriculture for sustenance (89 percent of the population is rural), and with a high population growth rate. Uganda ranks in the top ten nations in Africa in terms of animal species for all major groups, and among the top ten in the world for mammals, including over half of the known world population of mountain gorillas. Its concentration of biological wealth offers exceptional opportunities to achieve global biodiversity conservation objectives cost-effectively. At the time of appraisal, eco-tourism was already a significant contributor to GDP (estimated at around 3 percent), but with the potential for a much larger contribution.

In the 1990s, a number of new national parks were created out of areas that had been forest reserves, including Rwenzori, Bwindi, Mgahinga, Semliki, Kibale and Mt. Elgon. At this point in time, the Ugandan Wildlife Authority (UWA) was not operational.

The 1996-1999 period was particularly difficult for the national parks as the number of park visitors declined, encroachment and poaching escalated, staff morale was low, and there was rampant revenue leakage and misuse of resources. Officially, there was a Wildlife Act, but there were no wildlife regulations, no wildlife policy, no UWA corporate plan, no UWA management plans and no budgets.

The precursor to the Protected Areas Management and Sustainable Use (PAMSU) Project, the Institutional Capacity Building for Protected Areas Management and Sustainable Use project (ICB-PAMSU) was launched to begin to address these issues. ICB-PAMSU operated during 1999- 2002 and financed institutional strengthening of the implementing agencies that were further supported by PAMSU. ICB-PAMSU was rated satisfactory by the ICR (moderately satisfactory by IEG) on completion.

Originally, ICB-PAMSU and PAMSU were to be a single operation. However, the implementing institutions were assessed to be too weak to manage the large investments that were planned for park infrastructure. It was agreed with the Government to split the project into two projects. The larger investment project (PAMSU) would be contingent on the successful completion of capacity building in ICB-PAMSU.

The ICB-PAMSU achieved progress in a number of areas leading up to PAMSU, including:

1. establishment of an effective and efficient overall institutional framework for wildlife/protected areas management , with improved coordination of the various institutions as well as with the private sector and NGOs;
2. strengthened planning, management and implementation capacity of the individual sectoral institutions to ensure sustainability and accountability; and
3. improvement of the overall human resource capacity and professionalism in the these institutions.

PAMSU was the second phase of World Bank support to the Government of Uganda's (GOU) Conservation and Sustainable Tourism (CAST) program. The CAST program was the GOU's umbrella program to support conservation of the country's wildlife and cultural heritage and

assets and to implement the Integrated Tourism Master Plan (ITMP). ITMP was based on Protected Areas (PAs) as the primary tourist attraction, with a secondary emphasis on cultural assets. The plan emphasized that growth in the tourism sector should follow a modest pace corresponding to the rate of recovery of the underlying natural assets (in particular, animal populations) and the rehabilitation and expansion of the supporting infrastructure.

1.2 Original Project Development Objectives (PDO) and Key Indicators (as approved)

The original project development objective that appears in the PAD is the “Sustainable and cost-effective management of Uganda's wildlife and cultural resources. Sustainability is promoted through a combination of (1) providing funds for improving Uganda's ability to attract tourists to its wildlife and cultural heritage while, (2) encouraging cost-effective management strategies so as to reduce overall operating costs of the institutions managing these resources.”

The project financing included an IDA credit of US\$ 27 million, a GEF grant of US\$ 8 million and US\$ 3 million of pledged Government counterpart funding.

Key performance indicators:

Progress in achieving the project development objective was to be measured through key performance indicators (KPIs). The KPIs are from the PAMSU PAD and are listed in Table 1. The KPIs associated with the GEO are also listed in this table. Section 1.4 discusses the revisions listed in the second column.

TABLE 1: Key Indicators—Original and Revised

KPI as appears in the PAD	Revised KPI
Revenue generation at UWA increases to US\$ 6.0bn by the 5th year, to be assessed through review of UWA's financial records.	Target was achieved prior to MTR and was revised upward. New Target = US\$ 10 billion
Poaching of key species in patrol area reduced from initial baseline.	Deleted (but reflected in increase in mammal populations)
Population numbers of key mammal species in Queen Elizabeth (QE), Murchison Falls (MF), Kidepo (KD) conservation areas increase by 5% within 5 years. (GEO 1)	Proportion of PAs showing evidence of increased population of key mammal species. Target = 100% (GEO 1)
Communities are satisfied with UWA response to problem animals. (GEO 2)	Number of PAs with significant conflicts relating to community use or access. Target = 0 (GEO 2)
Approximately 120,000 visitors/year including 80,000 students visit Uganda Wildlife Education Centre.	Number of visitors to PAs. Target = 200,000
Ministry of Education adopts Wildlife Conservation Education (WCE) into primary school education in Uganda by EOP.	Achieved prior to MTR. (new financial indicator below)
40% of primary schools receive Wildlife	Achieved prior to MTR (new financial and visitor

Conservation Education material by EOP.	number indicators below)
Accurate and reliable information (statistics, market analysis, etc) about Uganda's tourist potential is established.	Deleted
	New KPIs
	UWA own revenue generation as proportion of recurrent costs. (PDO 1) Target = 90%
	UWA Reserve Fund Revenues available Target = US\$ 1.0 million
	UWEC own revenues as proportion of recurrent costs (PDO 2) Target = 110%
	Tourism policy adopted and enabling legislation enacted.
	A national site registry for all antiquities and monuments data base developed.
	Cultural sites gazette or developed Target = 10
	UWA Central recurrent costs as proportion of total recurrent costs. Target = 30%
	UWA boundaries demarcated in PA system Target = 100%
	UWA proportion of field staff housed adequately on site. Target = 100%
	UWEC visitors per year Target = 250,000
	UWEC capital in Endowment Target = US\$1 million
	Tourism Development Fund Levy Revenues Target = >0

1.3 Original Global Environment Objectives (GEO) and Key Indicators (as approved)

The PAMSU PAD states, "The global environmental objective is to ensure the effective, long-term conservation of Uganda's biodiversity in the face of competing economic pressures." Protection was to be ensured over a wide range of ecosystem types, including wetlands, swamps, tropical high forests, Afro-alpine forests, grass and woodland savannahs, and internationally important lakes and rivers. The original KPIs pertaining to this objective were: 1. Population numbers of key mammal species in Queen Elizabeth (QE), Murchison Falls (MF), Kidepo (KD) conservation areas increase by 5% within 5 years; and 2. Communities are satisfied with UWA response to problem animals (from Table 1 above). The relevance of this objective is discussed in section 3.1.

The project design is consistent with guidance from the Conference of the Parties for the Convention on Biodiversity as it addresses *in situ* conservation, including: (i) capacity building; (ii) strengthening the conservation, management, and sustainable use of ecosystems and habitats; (iii) strengthening the involvement of local and indigenous people; and (iv) integrating social dimensions including those related to poverty.

1.4 Revised PDO (as approved by original approving authority) and Key Indicators, and reasons/justification

There was no change to the PDO. However, the KPIs were overhauled and expanded, as reflected in Table 1, at the time of the Mid-Term Review (MTR), October 2005, as part of the CMU's portfolio-wide effort to improve indicators and results frameworks. The changes focused on allowing for better and more practical monitoring by implementing agencies and the supervision team. A number of financial indicators were added to improve M&E for the sustainability of financial management of wildlife resources, which was part of the PDO. These financial indicators related to the UWA reserve fund, UWA revenues' share of recurrent costs, and UWEC finances. Indicators for UWA staff housing and boundary demarcation were also added.

The UWA revenue target was also adjusted upward in accordance with the implementing agency's desire to reflect a (higher) target level when it became clear that revenue generation had exceeded its 5-year target several years ahead of schedule.

Approving the KPI revision. One issue regarding the KPI revision was the nature of the approval required. According to OP/BP 13.05, "Upon receipt of a written request from the borrower for the change, the country director, in consultation with the TL and the lawyer, determines whether the change is significant (requiring a project restructuring) or minor." (Para 17). The policy also states that "Minor project changes are submitted to the country director for approval." (Para 21). The changes to KPIs were part of a portfolio-wide exercise initiated by the country management unit. An M&E specialist reviewed all KPIs and made recommendations for more quantifiable, trackable indicators. The changes were further confirmed and discussed as part of the Mid-term review and recorded in the Aide Memoire and reports from the MTR mission.

With regard to the changes in the KPIs, as there was no official request from government, but rather a CMU initiated change, the Bank team decided that OP/BP 13.05 was likely not "triggered." In retrospect, it may have been better for the team to formally restructure the project. However, experience in other projects, e.g., South Africa: Biodiversity Conservation and Sustainable Development project from the same era, indicates that latitude in interpreting the need for restructuring was common for older projects.

1.5 Revised GEO (as approved by original approving authority) and Key Indicators, and reasons/justification

There was no change to the GEO. Key GEO Indicators in the KPI Supervision matrix (Results Matrix – Section F) were also overhauled around the time of the MTR, again, to permit more practical monitoring by implementing agencies and supervision team. For example, the indicator "Population numbers of key mammal species...increase by 5% in five years," was not (feasibly) measurable, so the operational indicator was changed to a more practical indicator: "the proportion of PAs showing evidence of increased population of key mammal species to 100%." This change to the indicator was also consistent with recommendations by GEF.

1.6 Main Beneficiaries,

At a national level this project's development objectives directly targeted stakeholders in the public and private sectors who are involved in the conservation, management and growth of wildlife and tourism assets and, indirectly, much of civil society through education and awareness

building about sector issues. Communities whose support is critical to the integrity of the National Park (NP) boundaries would also realize benefits from sharing revenues from gate receipts in the parks. These target groups and the corresponding benefits from the project are:

Central Government agencies involved with regulation, planning and monitoring macro development and implementation of strategic objectives within the sector. These agencies include: 1. The Uganda Wildlife Authority (UWA); 2. The Uganda Wildlife Education Centre (UWEC); 3. The Ministry of Trade, Tourism and Industry (MTTI); and 4. The Department of Antiquities and Museums (DAM). These agencies were expected to benefit from increased capacity and training, greater employment security and satisfaction, increased ownership and pride in the sector, and improved internally generated revenues allowing greater autonomy.

Local Government officers responsible for sector coordination and policy dissemination and implementation. These beneficiaries would participate in capacity building and training programs.

Communities living in and around Protected Areas and other natural and cultural resources. These communities would benefit from potential access to income generation opportunities, particularly for women's groups who can sell crafts; education opportunities; improved infrastructure; improved advocacy in local decision making processes (which are facilitated by the policy and legislation review); and increased access to resources from non-governmental organizations (NGOs) and community-based organizations (CBOs) which are development partners encouraged by the project. Neighboring communities also realize substantial benefits from the sharing of gate revenue from parks. Examples of the benefits of these shared revenues are provided in Section 3.5 a.

The private sector involved with the promotion of natural and cultural assets. There were expected to be greater commercial opportunities, access to training and enhanced advocacy through the policy and legislation review process.

More details of the causal links between project investments and benefits to these beneficiaries are presented in the detailed description of the project components in the next section and in Annex 2.

1.7 Original Components (as approved)

PAMSU had four components plus a project coordination unit (PCU). GEF resources financed a portion of components 1. and 2. A more detailed description of PAMSU components which cover the causal links between the problems to be remedied and the planned activities of the project is provided in Annex 2.

Component 1: Sustainable Wildlife Management

1. Capacity building for UWA to implement the Strategic Plan and the PASP to rationalize and demarcate the boundaries of the national asset through: (a) logistical support; (b) equipment and civil works, including staff housing to improve morale and effectiveness and reduce rents; (c) operating support such as equipment and vehicles; (d) training of Protected Areas' field staff and HQ staff; and (e) renovation of UWA's Headquarters office.

2. Development and carrying out of an UWA community management program to:

(a) collaborate with district and local government communities on wildlife management outside the Protected Areas; and (b) address wildlife management issues outside the Protected Areas including animal control, establishment of community wildlife management areas, and encouraging and assisting local communities to improve the use of wildlife resources.

3. Enhancement of general management of the Protected Areas through: (a) provision of support for increased park patrols by UWA's field staff; (b) monitoring of Protected Areas; (c) development and implementation of park management plans and annual operations plans for Protected Areas; (d) training of UWA staff in data collection, conservation education, and first medical aid; and (e) acquisition of equipment and vehicles.

4. Rehabilitation and maintenance of Protected Areas: (a) rangers' outpost; (b) existing roads; and (c) headquarters office.

5. Carrying out studies for the preparation of a plan to design options to address issues of people resident in the Protected Areas or using the Protected Areas' resources, including those Protected Areas of Mt. Elgon National Park, Katonga Wildlife Reserve, and Pian Upe Wildlife Reserve.

Component 2: Environmental Conservation Education

1. Carrying out an IEC campaign through: (a) teacher education programs; (b) development of conservation education materials; and (c) visits to schools and children in remote areas.

2. Construction within UWEC facilities of: (a) natural open air exhibits of the three major ecosystems of the Borrower (rainforest, savannah, and wetland); (b) access roads; (c) staff accommodation; and (d) a child discovery center.

3. Development and carrying out of an animal welfare and rehabilitation program aimed at improving animal holding under the Convention of International Trade in Endangered Species, through improvement of: (a) care of wildlife species; and (b) veterinary facilities.

4. Development of a plan to strengthen the institutional structure, management, and capitalization of UWEC.

Component 3: Tourism Framework

1. Development of the tourism sector through: (a) establishment of a sustainable tourism framework based on policy development strategy and enabling legislation; (b) establishment of a licensing and registration system for operators within the sector; (c) compiling of accurate statistics on the sector; and (d) training of MTTI's staff in human resources.

2. Capacity building for the Wildlife Department in the MTTI through: (a) acquisition of equipment; and (b) staff training and management and technical support to enable the Wildlife Department to carry out the Recipient's responsibilities under international treaties in particular under the Convention on International Trade in Endangered Species.

Component 4: Cultural Heritage

Strengthening of DAM through: (a) renovation and maintenance of its current buildings; (b) refurbishment of museums; (c) establishment of a heritage trail in Fort Portal; (d) construction of a facility to house a cultural center in Kabale; (e) development of a country wide cultural historic sites register and database; (f) development of pilot cultural sites; and (g) training of DAM's staff in visitor management and museum operations.

1.8 Revised Components

The resettlement sub-component of the UWA component was cancelled (Component 1, no. 5.). During the course of the development of the Protected Areas System Plan (PASP), substantial community consultation and redrawing of boundaries enabled the proposed PASP to avoid significant issues of resettlement in 19 of the total 22 Protected Areas. However three potential significant issues remained in Mt. Elgon National Park, Katonga Game Reserve, and Pian Upe Wildlife Reserve.

The World Bank and GOU engaged in discussions relating to establishing national protocols and policies that would ensure compliance with the Bank's Safeguard policies across all sectors. These discussions involved multi-sector consultations and were driven by the need to comply with World Bank Safeguard policies. In the end, the GOU decided to draw boundaries for the three parks (mentioned above) in such a way that the communities were outside the parks and, therefore, resettlement was not needed. This measure did not adversely affect the achievement of the PDO. It allowed communities to remain where they were, while improving protection of the PAs within the newly drawn boundaries.

The funds related to the resettlement sub-component were reallocated to support acquisition of communications and other equipment essential to secure operations of the Protected Area estate (all of the PAs in the country)..

1.9 Other significant changes

Although the project design and implementation arrangements did not change, a number of adjustments affected its scale, schedule, and funding allocations.

Scale and timing of UWA headquarters infrastructure. Initiation of construction of the UWA headquarters building was postponed to allow for the acquisition of title to land from the Museum Authority. This land allowed for a much larger space than the original option for construction, parking and associated tourism facilities to be accommodated under one roof. The resulting building provides room for a gorilla permit and reservation booking office as well as for expansion of activities. The somewhat higher construction costs were offset by gains in foreign exchange and by the allocation of surpluses from MTTI to UWA.

Reduction of boundary marking because of security issues. Security issues prevented the marking of 279 km out of 1,436 km planned. This represented a reduction in scope of boundary marking of 19.4 percent (see Annex 2 for boundary marking achievements).

Scale and schedule of staff housing and related PA Infrastructure. A significant issue in the project was that a large underestimate of construction cost, combined with cost over-runs meant that staff housing and office space could not be completed in all PAs as planned under the project.

A consultant estimate of the cost of construction and the 123 original planned sites was UgSh 87 billion (US\$47.2 million), whereas project funds for construction were only UgSh 23 billion (US\$12.5 million). The over-runs arose because of several factors:

1. Increases in unit costs because of implementation delays. The implementation delays were in turn a result of factors such as:
 - a. Security issues in some parks,
 - b. Lack of availability of counterpart funds on a timely basis, and
 - c. UWA Board interference in the procurement process that required re-tendering of a number of major contracts, including PA infrastructure and related communications equipment.
2. Changes in design of individual units to accommodate technical design needs such as earthquake proofing and rainwater harvesting;
3. Scale of requirements due to greater housing needs from more staff than originally budgeted.

Regarding item 1., five years elapsed between project preparation (when the original costs were estimated) and when construction of UWA infrastructure actually started. According to the schedule in the PAD most civil works were to be completed in 2003-04. However, major UWA civil works (for all four contract lots) did not commence until April 2008, five years into project effectiveness. The costs of cement, steel and other construction materials increased substantially during that time. A major reason for the surge in unit costs was the strife in Kenya after the elections which disrupted the ports, transport routes and the availability of basic construction materials. There was also insecurity in some areas and related difficulties of contractors to get materials to the construction sites, which also added to the costs. With the original cost underestimate, along with the resulting cost increases, only about half of the staff could be housed (rather than the targeted 100 percent) before project closure. The procurement delays are explained in section 2.4 on fiduciary issues.

Once underway, these civil works were completed reasonably quickly (12-18 months) between April and September of the following year (2009).

Funding reallocations. Some reallocations occurred at the time of the MTR and thereafter to accommodate the needs for PA infrastructure, once targets for other components had been substantially achieved. The reallocations were also driven partially by a change in the counterpart financing requirements, which were reduced to zero percent across all categories, around the time of the MTR. This adjustment was common to many projects in the World Bank Uganda portfolio and stemmed from the country's general inability to meet counterpart funding requirements for its World Bank project portfolio.

2. Key Factors Affecting Implementation and Outcomes

2.1 Project Preparation, Design and Quality at Entry

Project preparation exhibited strengths and weaknesses. The main strengths were the use of lessons learned from ICB-PAMSU and the appropriateness of project components and activities that addressed the main challenges in protecting Uganda's wildlife and cultural assets. The weaknesses related to the quality of KPIs and the underestimate of governance issues.

Assessment of PAMSU PDO

The PDO for PAMSU as stated in the PAD is the “Sustainable and cost-effective management of Uganda’s wildlife and cultural resources.” This objective has two main aspects: 1. sustainable management and 2. cost-effective management of both its wildlife and cultural resources. PAMSU’s activities promoted sustainable management of wildlife resources supporting investment in staff training and facilities to empower them to better carry out their responsibilities at MTTI, UWA, UWEC and DAM. The project promoted cost-effective wildlife management by rationalizing the PA system (using public private partnerships to manage some parks and improved financial controls) and promoting cost-effective management strategies so as to reduce overall operating costs of the institutions managing these resources.

Therefore, the project’s activities were consistent with its PDO. However, the PDO could have been more specific with a clearer focus on actual scope of the project. The initial KPIs (at appraisal) helped define the PDO further, but these indicators proved impractical and had to be substantially revised during implementation (see Section 2.3).

Link between project objectives and components to CAS and national priorities. The link of PAMSU to the GOU’s priorities and to the CAS is expressed in the PAMSU PAD:

“As stated in the CAS, an overarching consideration of the economic transformation is that development and growth must occur in an *environmentally sustainable manner*, given that 90 percent of Uganda’s population is directly dependent on the country’s natural resource base. The activities financed under PAMSU represent a key part of the Government’s overall sector wide action plan on environment and are consistent with objectives of the CAS. To help realize the sector-related CAS objectives, PAMSU will provide resources for ensuring conservation of biodiversity and historical heritage assets which will lead to overall environmental protection and sustainable development.”

This link is, however, rather general, and the CAS could have provided more explicit support for the environment which was a high national priority.

Assessment of PAMSU Components

The activities of PAMSU built on the foundation laid by the ICB-PAMSU project. The same institutions that were responsible for ICB-PAMSU were responsible for PAMSU, and so these institutions understood the capacity requirements for implementation. Key design features of PAMSU were based on the lessons of the ICB-PAMSU project (immediately below). Thus, there was strong continuity leading into PAMSU effectiveness. Mainly for these reasons, there was no QER for PAMSU.

The main positive lessons from ICB-PAMSU that were applied in the design and implementation of PAMSU included the following:

- **The volatility of the wildlife sector required that any project be capable of managing adaptively and taking on some risks.** Some experimentation with wildlife management models (through community and private sector partnerships) was warranted. The risks would be mitigated by assuming a portfolio approach that: a) worked with multiple implementing agencies; b) operated in multiple geographic locations; and c) continued a strong institutional strengthening focus alongside any investments. For example, private/public partnerships

(PPP) were arranged for some of the lower profile parks, such as the Kaboyo Game Reserve, which was licensed out to the private sector for park management.

- **Long-term sustainability (and credibility) of institutions would require projection of a professional image and paying attention to financial sustainability that would become more important for eventual tourism development.** The experience from ICB-PAMSU taught that professionalism and financial sustainability need to be established first to strengthen the wildlife resource base before tourism development itself could become a priority. This lesson was an important rationale for the PAMSU civil works, because the construction of adequate housing for UWA personnel as well as high quality park offices, armories, etc. were a critical ingredient in empowering UWA staff to protect wildlife and enabling them to operate more professionally, a key factor in successful implementation.
- **Supporting salaries and recurrent costs would be counter-productive.** PAMSU design reflects no support for these items, which was intended to force implementing agencies to manage scarce internal resources in a manner that would promote long-term sustainability.
- **Treating all staff equitably is a sound basis for developing a professional organization.** The project supported reviews of salary scales and designed infrastructure in a manner that all staff would have equitable access to adequate housing and working environments at headquarters and in the field.

Lack of a strategy to deal with governance risks. The governance failures were significant and included high level political interference in the Protected Areas, , and slow internal mechanisms for redress or correction of these problems. These issues could have been better anticipated during project preparation, with more explicit mitigation measures identified for application during implementation. Another shortcoming was the cost estimate for construction of UWA housing which was part of the reason for underachievement of the target. Measures to obtain a more reliable estimate could have been taken.

2.2 Implementation

There were no significant changes to the project structure beyond those already discussed in Section 1.9. Most operational issues were handled through consultations with Government, relevant implementing agencies (IAs), the task team, and World Bank colleagues and management in the CMU. Supervision relied on routine reviews and approvals of work-plans that were revisited semi-annually. These supervision efforts permitted most of the serious implementation issues to be addressed on a case-by-case basis.

According to the supervision reports the realization of the long term PDO and GEO was never at risk. However, the actions required to mitigate risks that did materialize resulted in several implementation delays and higher implementation costs for some activities. At some points, project implementation probably should have been rated moderately unsatisfactory rather than satisfactory. Fortunately, the subsequent mitigation efforts were effective in preventing underachievement of some project targets.

Examples of project risks and actions taken in response to them include:

- **Counterpart funds.** The project's performance was hindered by a lack of counterpart funding, which led to a delay in the completion of project activities within the original project closing date. This problem was typical for projects in Uganda. As a result, it was agreed at the CMU to change the disbursement percentages to allow for 100 percent Bank financing. This decision was taken around the time of MTR.
- **Government Political Interference.** High level political interference and/or inaction frequently created prolonged project risks. These risks required ongoing mitigation responses from project implementing agencies, especially from the UWA. These matters were generally handled by documenting issues, identifying options for the relevant implementing agency and World Bank action, and adjusting activities as needed at the project level to handle the various threats.
- **Loss of development partners.** Although the project did not directly rely on development partners to implement specific activities, the EU provided significant funds and technical assistance for the preparation, consultation and ground truthing of the protected areas plan. The PAMSU supported the execution of the plan, i.e., the boundary marking. The EU also promoted tourism in the country, which was the long-term entry point for sustainable financing of the Protected Area estate. Moreover, with the PA system secured, tourism could now provide a more solid basis for economic development in Uganda. At the close of the project, however, there were no donors active in the tourism sector.
- **Disease outbreaks (ebola, anthrax, SARS, Avian Flu).** The project was highly adaptive in handling these outbreaks adjusting UWA, UWEC, and MTTI activities to permit spending on public awareness campaigns, as well as specific threat reduction through burying of carcasses and vaccination of domestic livestock species at risk.
- **Security threats.** Local security was a key factor at Murchison Falls National Park (NP), which is the largest PA in the country. Project implementation was negatively impacted in this NP, which included a severe decline in visitors. Operations of the PA estate were secured through increased support for communications equipment (e.g., field operative radios) and other essential equipment, as well as training of rangers and other field staff.

2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization

Design. The project's initial results framework was rather weak at the design stage. This framework did link indicators to project objectives, specified the main assumptions for reaching the targets and identified the sources for the monitoring data. However, major improvements to the set of results indicators were made around the time of the MTR (see Table 1) in order to make the KPIs more specific and verifiable. Baseline data were also available for the KPIs. The revised KPIs captured the sustainability aspect of the PDO, but they could have more explicitly captured the improvement of cost effectiveness of the management of cultural and wildlife assets. Each implementing agency, MTTI, UWA, UWEC and DAM was individually responsible for its respective M&E reporting.

Implementation and Use. The M&E followed the PAMSU Project Implementation Plan. The revised set of monitoring indicators was from the MTR for the remainder of the project life. With the established baselines KPIs, it was possible to assess achievement of objectives, including in ISRs. The monitoring data were essential to decision-making. For example, M&E for DAM

activities revealed that progress exceeded targets with resources left over that could be allocated to other DAM priorities.

Note that the project did not use of the GEF developed Protected Area Tracking Tool, which was required of GEF financed projects that were approved later.¹ Consequently, M&E within the UWA component relied on the existing M&E system, which had been custom-developed for UWA through bilateral assistance during the ICB-PAMSU period.

2.4 Safeguard and Fiduciary Compliance

The PAMSU project closed on March 31, 2011 with clean financial audits and satisfactory ratings throughout the project with respect to safeguards and fiduciary compliance.

Safeguards. With respect to safeguard issues, this project was rated as an environmental category C, which did not trigger safeguards. In retrospect, this rating was not correct for PAMSU, which should have been rated as Category B because the project included infrastructure, although small scale, within national parks. This infrastructure also required water supply and sanitation. The UWA did conduct its own environmental impact assessments (EIA) for each infrastructure, which followed Ugandan regulations and the Bank EIA approach. In one instance, as a result of these assessments, structures in Bwindi had to be re-designed to meet the specifications of buildings in earthquake zones.

As discussed above, the resettlement issue was resolved by the Government redrawing the park boundaries for the three parks such that the communities were outside of the boundaries.

Procurement. Some procurement issues occurred. These issues included the lack of available counterpart funds as well as a misunderstanding as to the role of the UWA Board Chairman and Board in the procurement process, as designated by the procurement committee and the procurement act. This led to difficulties in bidding and procurements had to be re-initiated, which contributed to implementation delays that required the first project extension to June 30, 2010 to complete these infrastructure investments. (The second project extension for the project – from June 30, 2010 to March 31, 2011 - was initiated in hopes of obtaining additional financing to complete construction of new staff housing. The additional financing did not become available and the project was closed.) The other PAMSU components were not affected and were completed on schedule. The procurement delays contributed to significantly higher costs for infrastructure, thus, reducing project efficiency.

2.5 Post-completion Operation/Next Phase

Because of governance issues discussed above, donor support in this area has declined. These governance issues are being resolved and it is hoped that a broader dialogue will resume. In the meantime, the environment sector will need to depend on indirect donor support from the joint

¹ Nonetheless, the tracking tool was introduced to UWA as part of institutional strengthening efforts. Upon review, UWA decided that the GEF developed PA tracking tool was not useful to their purposes because the tool: a) would cost too much to implement; b) was oriented towards single parks; and c) did not adequately capture the intricacies of multi-objective planning in the context of a parks system with some 23 separate protected areas.

framework that currently governs donor support to GOU. There is dialogue on a potential tourism project that would go forward with some of the areas covered by PAMSU. However, this is still in an informal stage.

Of the five components, four were substantially closed in 2007, corresponding to the initial planned closing date of the project, while UWA continued as an implementing agency.

1. MTTI ongoing activities are adequately covered through internal budget allocations.
2. UMMA activities are also covered by internal budget.
3. UWEC ensures financial sustainability through a combination of ongoing gate revenues and establishment of a small endowment fund to cope with revenue volatility. UWEC retains an operational subsidy from Parliament, which has consistently recognized its fiduciary responsibility to protect the animals at UWEC through provision of food and veterinary care.
4. The PCU completed its responsibilities on schedule, and has no ongoing operational costs.

PAMSU operational support for recurrent costs, training, uniforms and some consumables for field monitoring (such as fuel) was largely terminated in 2008 when all remaining project funds were allocated to the completion of as much of the planned PA infrastructure as possible. During that period, UWA used its own revenues for all operational expenses. The current revenue stream along with a modest government subsidy (for some wages) and the use of its reserve fund provide an adequate basis for covering on-going costs and is therefore sustainable.

One shortfall in funding costs was for housing and offices at the field level, for which only about 50 percent of initial targets were met. A proposal for Additional Financing (AF) was under preparation in order to finance the remaining infrastructure in the PAs. The Task Team recommended the AF, but governance issues worsened with the firing of the UWA Board and its replacement with an illegitimate Board (as later determined by a Ugandan court— see Section 5.2). The Bank, therefore decided against the provision of additional funding.

3. Assessment of Outcomes

3.1 Relevance of Objectives, Design and Implementation

Relevance of objectives to country and CAS priorities. The PAMSU project was aimed at ensuring the sustainable and cost-effective management of Uganda's wildlife and cultural resources. The project was designed to support the Government's development strategy, which aimed to reduce poverty through sustainable economic growth and development, within the framework of economic stability and protection of the environment and natural resources. PAMSU's objectives and design are relevant also to the current National Development Plan (NDP). Recognizing the productivity effects on agriculture, industry, and fisheries, the NDP (as noted in the 2010 CAS) calls for restoring degraded ecosystems, ensuring sustainable management of environmental resources, increasing public awareness, and enforcing environmental laws and regulations. The long term country development goal (from the NDP) that is most relevant to PAMSU is:

“Promoting sustainable population and use of the environment and natural resources” which focuses on the following indicators: the Proportion of ecosystems restored, the level of management of environmental resources and the increase in forest cover from 13 percent of total land area in 2009. (increase target not specified)

Relevance of Design and Implementation

PAMSU's design was aimed at correcting fundamental problems in the management of wildlife and cultural assets. In that regard, the main project component (UWA) was highly relevant. At the time of PAMSU, Uganda's PA infrastructure was crumbling. This circumstance threatened both the animals and the ecosystems of the national parks, as well as tourism, which depends on these natural assets. This component focused on accommodations for park employees which were in extremely poor condition, and which seriously impaired staff's efforts to do their jobs to protect the animals and manage the economic aspects of the parks. PAMSU also specifically addressed the (correct) perception of communities that the management of the parks had declined, and implemented measures to ensure that communities would know where the park boundaries and respect them. Grazing of livestock inside park boundaries was addressed to avoid further degradation of the PA habitat. Prior to PAMSU, in many instances these boundaries were not even adequately marked.

PAMSU's design correctly made the link between better equipped and better housed park staff and increases in animal populations, including elephants, Ugandan kob, waterbuck, giraffe and other key animal species.

The Cultural Heritage component promoted activities such as gazetting and registering sites and building capacity a DAM, which were prerequisites for sustaining and managing cultural assets.

Relevance of Results Framework. The results framework was relevant, but had shortcomings, even after it was re-vamped. The KPIs included indicators that captured the financial sustainability of the management of natural and cultural assets. However, the KPIs only indirectly, captured the cost-effective aspect of management. Neither the original nor the re-vamped KPIs were designed to measure "long-term" conservation called for in the GEO. This short-coming was probably more a case of an overreaching GEO than a mis-specified KPI. The GEO probably should have been scaled back to wording along the lines of "promoting conservation," which would have been a more realistic objective for a single investment project such as PAMSU. Also, the targets that were selected would have been a better match to the GEO.

3.2 Achievement of Project Development Objectives and Global Environment Objectives

In rating the achievement of PAMSU's PDOs and GEOs, the ICR considers mainly the degree to which the PDO indicator targets were achieved, but also takes into account how well the indicators captured the PDOs and GEOs.

PDO: To achieve the sustainable and cost-effective management of Uganda's wildlife and cultural resources. Moderately satisfactory

PDO Indicator 1: Increase UWA own revenues as a proportion of recurrent costs to 90 percent—Substantially achieved

PDO Indicator 2: Increase UWEC own revenues as a proportion of recurrent costs to 110 percent—Substantially achieved

Table 2 summarizes PAMSU's record of meeting indicator targets (expressed in percentages of original targets) and Figures 1 and 2 represent PAMSU progress in achieving desired project

outcomes. The small triangle within Figure 1 indicates the “before PAMSU” condition. The larger quadrilateral represents the PDO/GEO targets and the slightly smaller quadrilateral represents the achievement of PAMSU. Figure 1 illustrates the substantial achievement of both the PDO/GEO indicators. Own revenue generation as well as other financial KPIs for both UWA and UWEC were substantially met or exceeded. By the end of the project, UWA was able to self-finance 77 percent of its recurrent costs and UWEC was covering 95 percent of its recurrent costs (86 percent of target) —still somewhat short of the targets, but well-ahead of the baselines of 49 percent and 35 percent, respectively.

**TABLE 2: Summary of PAMSU Key Performance Indicators—
Baselines, Achievements and Targets**

PDO and GEO Indicators	Baseline	Achievement- %age of Target	Target
UWA Self Financing (PDO1)	49%	77%	90%
UWEC Self Financing (PDO2)	35%	86%	110%
Animal Population Improvements (GEO1)	0%	100%	100%
Community Conflict Reduction (GEO2)	0%	89%	100%
Intermediate Indicators			
UWA Own Revenue (IO1)	47%	157%	100%
UWA Reserve Fund (IO2)	0%	570%	100%
PA Visitors (IO3)	33%	71%	100%
Tourism Policy (IO4)	0%	100%	100%
Cultural Site Registry (IO5)	0%	100%	100%
Cultural Sites Gazetted (IO6)	0%	200%	100%
Recurrent Cost Decentralization (IO7)	58%	72%	70%
Boundary Demarcation (IO8)	0%	80%	100%
PA Infrastructure (IO9)	0%	50%	100%
UWEC Visitors (IO10)	58%	85%	100%
UWEC Reserve Fund Capital (IO11)	0%	92%	100%
Tourism Levy Revenues (IO12)	0%	100%	100%

Figure 2 represents the intermediate indicators. The small (red) cross in the center of the diagram provides a vivid spatial illustration of the weak state of Uganda’s wildlife and cultural assets and institutions at the start of PAMSU. The large irregular shape that touches the frontier of the spider web represents the substantial progress that PAMSU achieved. In most cases, PAMSU met or exceeded the intermediate indicator targets.

Figure 1: PAMSU PDO and GEO Indicators

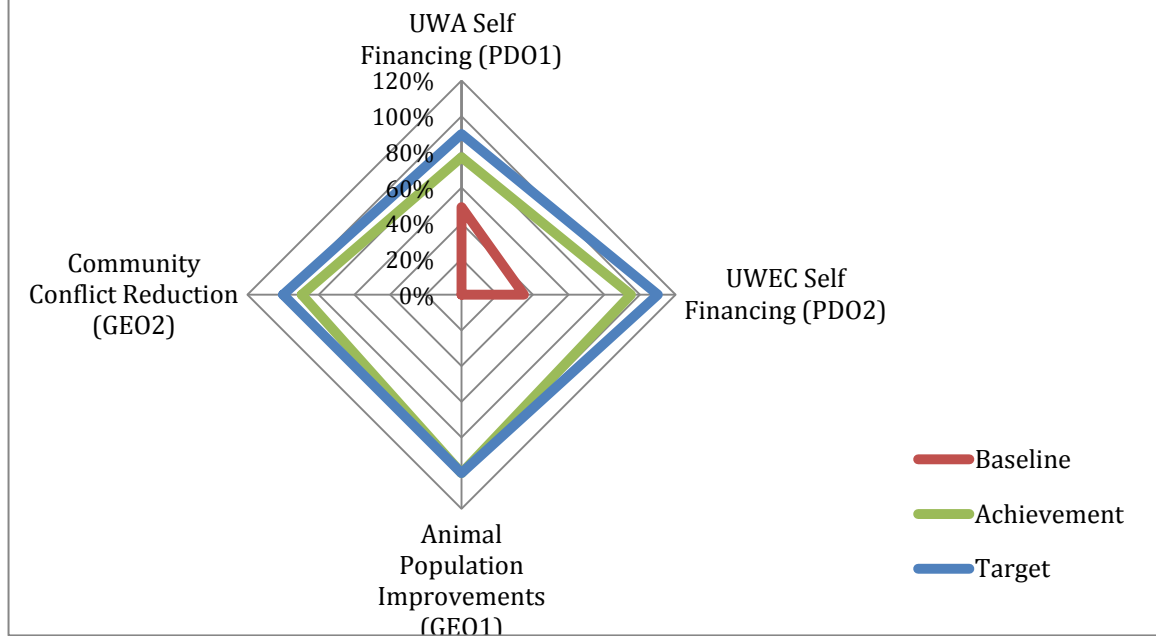
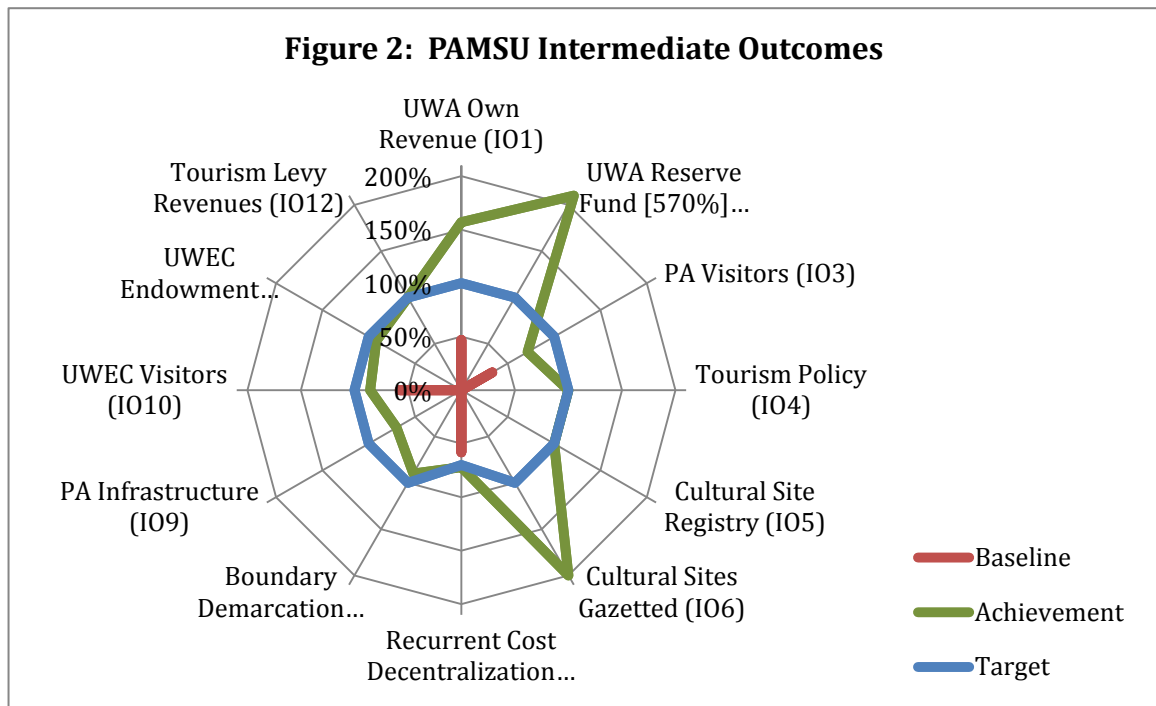


Figure 2: PAMSU Intermediate Outcomes



Wildlife Resources

PAMSU funded the construction of more than 160 structures ranging from kitchens and junior staff housing to new offices, as well as new boreholes and upgrading generators (at a cost of US\$ 13.3 million). With the completion of this infrastructure, new housing was made available to approximately 50 percent of staff and 90 percent of the protected areas now have good office infrastructure. (Remaining staff are housed in older structures or those built with funds from other donors.) The project also trained more than 1,500 rangers and 200 senior staff (at a cost of US\$ 118,153). Training, equipping and housing UWA staff contributed to the sustainable and more cost effective management of Uganda's wildlife and cultural resources. Field staff were trained and equipped and staff morale improved through competitive pay packages, provision of uniforms and equipment such as tents, radios, and vehicles. These inputs effected a major improvement in staff performance: 1) accountability was enhanced in checking expenditure and revenue leakage; and 2) there was an increase in revenue collection of up to 40 percent without a corresponding increase in visitation, while expenditure on fuel and vehicle maintenance fell by approximately 30 percent. In addition, it became possible to effectively check encroachment and combat poaching.

Revenue performance. Annex Table 2.2 shows that the UWA internally generated revenues have steadily increased since 2002 (from UgSh 5.8 billion in 2002/03 to UgSh 26.8 billion in 2010/11). This represents a 364 percent increase over eight years. The increase in revenue is attributed large part to PAMSU's support for capacity building within UWA starting with the Financial Procedures Manual that helped to track and maintain good financial records by UWA and reduce leakages. The revenue is also attributed to increase in wildlife numbers in protected areas, which has attracted higher numbers of tourists. Tourist numbers increased from approximately 40,000 in 2002 to 170,000 in 2010. The increase in the mammal populations has likely led to the quality of the tourist experience.

Protected Areas Sustainability Plan (PASP)

The project supported the completion and implementation of the PASP which was initiated under the ICB-PAMSU project in partnership with the EU. The objective of the PASP was to rationalize and demarcate the boundaries the PA system of Uganda to ensure that it protects a high quality, representative sample of the country's biodiversity heritage and eco-systems, is manageable in the long term, and provides a suitable basis for a sustainable tourism sector, all of which are important to realizing the PDO. The development of the PASP entailed extensive ecological, economic and social surveys of the entire country, years of consultation with effected communities and local governments culminating in a new PASP for the country. The PASP included both newly proposed PAs as well as the elimination of some "paper parks". The final plan was approved by Parliament and 22 PA were officially gazetted as the countries new official park system. The project supported the boundary demarcation of all 22 PA's as well as the continued consultation with local communities.

Boundary marking. During PAMSU close to 600 kilometers of park boundaries were newly surveyed and 1,157 kilometers of park boundaries were marked – representing about 80 percent of all PAs in the country. About 20 percent could not be marked mainly for security issues or were unnecessary because of natural boundaries such as rivers. This demarcation is a prerequisite for the sustainable and cost-effective management of wildlife assets (see Annex 2 for details).

UWA Reserve Fund. UWA was particularly successful in building up its reserve funds to deal with potential losses in revenue due to events beyond its control. It currently has a reserve fund

of approximately US\$ 5.7 million, which significantly enhances the sustainability of its operations because it is now in a better position to survive poor revenue years.

Quality of construction. The quality of the infrastructure was of a relatively high standard. This quality was confirmed by the engineering consultants who provided technical supervision of the works, as well as regular on-site visits from the TTL and UWA staff. The few instances of housing defects were reported and were addressed by the appropriate contractors without issue. The consultants conducted monthly inspections and supervisory visits at each site.

Cultural Assets

While relatively small in scope from the perspective of budget (US\$ 0.7 million base costs), the support to the Department of Antiquities and Museums was of key importance to the government and to the preservation of Uganda's cultural heritage. Several achievements under this component contributed to the long-term protection of Ugandan cultural heritage with regard to both artifacts and sites and helped achieve the PDO of sustaining and managing cultural assets.

- 1) Upgrading of the National Museum in Kampala - the Uganda National Museum is the oldest in E. Africa dating from 1905. With project funds, the museum infrastructure was improved, including re-roofing of the museum which was key to ensuring protection of artifacts. In addition, a small cafe was built on site which has increased museum revenue and improved both the staff and visitor experience. Displays and information, originally designed in 1905 and 1940 were updated and new displays were created. Vehicles were purchased to allow staff to go to the field for site inspection and protection.
- 2) Archaeological and other cultural sites gazetted and development plans created for regional museums - Ten sites were gazetted or developed through the life of the project and a full site registry was developed. In 2002, when the project began no sites of cultural significance had been legally gazetted in the country. Due to title and land issues, the regional museums were not able to be developed. (Savings were re-allocated to related MTTI initiatives.)
- 3) Fort Portal and Kabarole heritage trails designed and implemented.
- 4) Brochures and DVDs developed to further promote Uganda as a destination of cultural as well as natural interest. Tours to the Uganda National Museum and regional sites are now included in package tours meeting the goal of increasing tourist days and revenue in country.

The two KPIs related to cultural activities were met or exceeded. Specifically, to improve the functioning of the DAM, PAMSU financed office equipment and other facilities.

GEO: To ensure the effective, long-term conservation of Uganda's biodiversity in the face of competing economic pressures

GEO Indicator 1: Increase the proportion of PAs showing evidence of increased population of key mammal species to 100 percent of PAs—Achieved

GEO Indicator 2: Reduce the number of PAs with significant conflicts relating to community use or access to zero—Substantially achieved

The populations of key animal species – buffalo, waterbuck, elephant, Ugandan cobb, hippo and lion increased to 100 percent of PAs from a baseline of 0 percent of PAs. The number of

Protected Areas showing conflict with communities decreased from a baseline of 19 down to 2 by project's end, an 89 percent achievement of the target. The reason for the increase in animal populations was not a repopulation program, but rather a natural regeneration because rangers were more effective on duty, and were able to better control poaching and encroachment in PAs. There are still two communities with long-standing land disputes. UWA continues to work on resolving the disputes.

Meeting the GEO indicators certainly contributed to the achievement of the GEO. It can also be argued that building capacity at UWA would provide long-term benefits to the conservation of biodiversity. However, it is really not possible to *confirm* that *long-term* conservation of biodiversity was ensured. In the short-term, improved capacity at UWA and marking boundaries has improved the prospects for biodiversity in the face of competing economic pressures.

The results of PAMSU go beyond indicators. UWA rangers and others spoke about the improved relationship with community leaders due to the strong and professional presence shown by the high quality infrastructure; staff were shown to be more proactive (for example, recommending new gate locations, etc) due in part to the higher morale from improved living and working conditions. Roads were re-opened and maintained. These examples reinforce the PAMSU project's achievements.

3.3 Efficiency

One quantifiable benefit from the project is the increase in tourism visits, which rose from a baseline of 40,000 visits to 170,000 visits to the country, the vast majority of which was to the Protected Areas, but also to Museums, Cultural Heritage sites, annually, an increase of 130,000 tourist visits. The 170,000 tourist visits to the country generated total tourist revenue of US\$ 662 million for 2010, or more than US\$ 3,894 per tourist. PAMSU investments certainly contributed the ability of Uganda to attract tourists which was part of the PDO.

A portion of this increase can reasonably be attributed to the investments from PAMSU because park rangers can do their jobs better in controlling poaching and grazing within park boundaries as they are now better trained, better equipped and have better communications. The increase in animal sightings and improved security within the parks enhanced Uganda's standing as a tourist destination. Based on the conservative assumption that only 3 percent of the incremental tourist revenue is attributed to the PAMSU investments, the rate of return is a positive 8 percent. If the attribution rate is raised to 5 percent then the return is an impressive 17 percent. Therefore, the investments made through PAMSU suggest a strong value for money. Annex 3 has additional details.

Cost-effectiveness.

There was concern because of the cost overruns due to delayed procurements that the cost effectiveness of PAMSU was inadequate. It is true that procurement delays led to higher costs of construction, but a larger factor was simply that costs of construction had been underestimated at preparation. In fact, the cost of completing 100 percent of the housing target was UgSh 87 billion as estimated by the engineering consultants, whereas the project was able to fulfill 50 percent of the target with only UgSh 24 billion in expenditures. In other words, the target was 50 percent met with only 28 percent of the resources.

In addition, there were individual investments that were cost-effective. One example is the UWA headquarters building. This building cost US\$ 1.8 million to build and is owned by UWA. At an average of US\$ 13 per month per square meter (the midpoint of the \$10-\$16 range from recent real estate analysis in Kampala), the rental of an office of similar size to the UWA headquarters (2,100 square meters) would cost US\$ 327,600 per year at current prices. At a zero discount rate, the costs of construction for the building are re-captured in 5.5 years.

3.4 Justification of Overall Outcome and Global Environment Outcome Rating

Rating: Moderately Satisfactory (PDO); Moderately Satisfactory (GEO)

In summary, the PAMSU project had substantial achievements. These accomplishments were realized despite the implementation difficulties and the fact that 50 percent of the planned PA infrastructure was built.

- The Protected Areas system in Uganda which had been in a state of severe decay was resurrected.
- Populations of key animal species rebounded,
- Permanent boundaries were drawn in all of the parks
- Critical relations with communities were forged
- Cultural sites were gazette and officially registered
- Tourist visits increased substantially and
- Revenues to UWA also increased substantially so that the vast majority of current costs were covered and a US\$ 5.7 million reserve fund was accumulated.

The competing economic pressures in the case of PAMSU were the communities' need to graze livestock and to earn money through poaching. PAMSU's boundary marking and increased ranger activity were able to restrict these "competing economic pressures." In addition, the project supported the sharing of 20 percent of gate revenues with communities. The strategy was designed to win community support for the parks and convince communities that the PAs were an economic benefit to them as well. It will be important to maintain this revenue sharing because economic pressures will only grow with the rapidly increasing population. Further details on revenue sharing are in Section 3.5.

3.5 Overarching Themes, Other Outcomes and Impacts

(if any, where not previously covered or to amplify discussion above)

(a) Poverty Impacts, Gender Aspects, and Social Development

As part of the community conservation program in many parks, the UWA initiated programs to provide poachers, gold miners, smugglers (and others engaged in illegal activities in the parks) alternative work and livelihoods if they stopped their illegal activities. UWA's anti-poaching campaigns have resulted in the exchange of illegal hunting equipment in most Protected Areas for access to improved alternative livelihood options (e.g., market development, goat rearing, ecotourism, and others). Some of the alternative work included direct contributions to the parks such as maintaining mountain trails and removing invasive species. These programs have been successful and have empowered communities to protect the parks. Box 1 provides an excellent example of working with communities to improve livelihoods.

Box 1: Community owned Eco-Lodge in southern Bwindi (Clouds Mountain Gorilla Lodge)

Previously the communities in southern Bwindi were poor and resentful of PA management because of the problems created by the park – crop raiding by gorillas and other wildlife from the park. UWA and partners decided to habituate the gorilla group that was a problem to the communities so that it could be used for tourism to generate income for the communities. To ensure that communities benefited from gorilla tourism. UWA convinced the communities to provide land and UWA helped the community to identify an investor who can build and operate a High end Tourist Lodge for them through a Concession agreement. To ensure that the lodge attracts visitors, UWA gave the communities a concession of six of the available eight gorilla permits per day. The Lodge is operational and the communities are earning good revenue through a concession with the investor. The communities in this area have since graduated to prosperous communities as they benefit from Lodge proceeds and are selling their food and crafts to the tourists. Since 2008, the Lodge has earned more than UgSh 500 million for the communities. This money has been used to start saving schemes for the communities, providing heifers and piggery for households as well as improving community social infrastructure.

PAMSU pushed for the implementation of the provision that twenty percent of gate revenues were allocated to the local communities. This sharing of revenue helped win community support for the PAs, which meant greater compliance with grazing restrictions in the parks and greater cooperation in reducing poaching of animals. The PAMSU Project helped to build capacity within UWA and District Local Governments to plan and manage the 20 percent gate revenues under the Revenue Sharing Program. Table 3 shows the disbursements made by UWA to the District Local Governments in neighboring the protected areas for community development projects. The total amount is UgSh 4.4 billion or approximately US\$ 2.4 million.

TABLE 3: Gate Revenues Shared with Neighboring Communities

Protected Area	Funds released between 2002 and 2010
Murchison Falls	1,403,516,296
Queen Elizabeth	1,541,913,370
Bwindi Impenetrable	425,798,525
Lake Mburo	413,990,811
Rwenzori Mountains	72,253,100
Mt. Elgon	110,081,550
Mgahinga NP	96,278,775
Kibale NP	285,178,756
Semliki NP	22,200,000
Toro-Semuliki WR	25,739,500
Kidepo Valley	NA
GRAND TOTAL	4,396,950,683

The funds are collected by UWA and kept on a separate account. The communities neighboring protected areas through the Community Protected Area Institutions identify projects based on their needs that should be funded by the 20 percent UWA gate revenue and these projects are included in the Sub County and District Development Plans indicating UWA as the source of funding. The District Chief Administrative Officer then makes a requisition to UWA for funds to implement the identified community projects. Since the revenue sharing program started, several projects including classroom blocks, health centers, provision of clean water to communities, rehabilitation of roads and bridges, as well as livelihood improvement projects such as goat rearing, bee keeping, provision of irish potato seed have been implemented in community areas around protected areas. Since 2009, the focus has also changed to problem animal control projects like elephant deterrent trenches around Queen Elizabeth and Murchison Falls National Parks that have helped to reduce the human-wildlife conflicts.

In addition, the Bwindi Trust received support from a supplemental charge US\$9.00 on gorilla permits. This allocation made it possible to achieve a number of small projects for communities, including supporting construction at the Bwindi Community Hospital (which was started with support from another donor) in the community near of the Bwindi Impenetrable Forest.

(b) Institutional Change/Strengthening

PAMSU achieved its development outcomes primarily through institutional strengthening to improve wildlife management and identify and protect historical sites. By improving infrastructure for park rangers the project sent two messages, one to the rangers themselves and one to adjacent communities. The message to park rangers was that their work is important and that the government and its development partners are willing to make a long-term investment so that they can do their work in better conditions. The building of the infrastructure was an important morale boost to the park rangers. The second message for the communities was that park protection is a real priority for the nation for the long-term and that park boundaries would be observed.

PAMSU's support to DAM illustrated government and international commitment to protecting Uganda's cultural heritage, as well as its natural resources. Highlights of institutional impacts include the Upgrading of the National Museum in Kampala and the gazetting of archaeological and other cultural sites and the development of the site registry.

Achieving a corporate identity at UWA. In addition, corporate identity for UWA was achieved with effective donor coordination. Duplication of efforts in PA management was minimized. Donors and NGOs support was based on PA management plans as opposed to independently implementing their own agendas.

(c) Other Unintended Outcomes and Impacts (positive and negative):

Tourism levy. A significant positive outcome was that, within the tourism policy development supported by the project, a Tourism Levy was established that would support the long-term development of the sector and contribute to national treasury. In addition, at the district level a local Hotel Occupancy Tax has also generated in excess of 2 billion Ugandan shillings.

3.6 Summary of Findings of Beneficiary Survey and/or Stakeholder Workshops *(optional for Core ICR, required for ILI, details in annexes)*

N/A

4. Assessment of Risk to Development Outcome and Global Environment Outcome

Rating:

Rating for Risk to PDO: Moderate

Rating for Risk to GEO Outcome: Moderate

There is good evidence for sustainability of development and global environment outcomes. Both the PDO and GEO were realized despite the risks. There are a number of design features, institutional strengthening measures and general achievements that lead to an assessment of only moderate risk to development and global environment outcomes. The major factors mitigating a variety of risks are summarized below.

Institutional

- The capacity to undertake wildlife surveys and environmental monitoring was enhanced.
- Since the 2010 issue with the court-dismissed UWA Board, however, no Board of Trustees or permanent top management is yet in place, as all top positions are currently filled in acting capacity and constitutes a risk if this situation persists.
- However, despite the delays in re-constituting its Board, the UWA itself has a core cadre of trained and experienced staff both in the field and at its headquarters to the extent that even when there was a disruption in governance at the top, the institution remained largely stable. Field staff have been able to carry on and provide continuity in UWA operations. PAMSU supported the training of staff at all levels from the rangers to the CEO.
- A corporate culture that espouses planning, accountability and results-oriented performance based on periodic 3 tier appraisals with reward systems was developed and embedded in operational policies.
- There is increased positive visibility of the Uganda Wildlife Authority in Uganda and beyond. The UWA is a major employer and a catalyst for investment in the tourism sector and in rural areas neighboring the PAs. UWA is present at International Trade Fairs, International Conventions and meetings e.g., IUCN, Parks Congress. This visibility can be attributed to a large extent to PAMSU support.

Financial

- Revenue generation was greatly enhanced. As of April 2011 there was approximately US\$ 5.7 million in reserve funds to be used as collateral or equity for revenue generating projects. With security issues in the parks under control, roads and trails opened, customer care enhanced, product development with technological innovation in place (e.g friend-a-gorilla internet-based project) the capacity for UWA to generate income remains strong.
- The Public –Private partnership model has demonstrated benefits for both conservation and business. The Ziwa Rhino sanctuary on private land is quite promising. Also the

partnership in managing Kabwoya Wildlife Reserve has resulted in a tremendous increase in wildlife populations like Ugandan kobs, water bucks and buffaloes. This PPP approach appears likely to lead to financial sustainability of wildlife reserves which had been viewed as a liability by both local communities and local governments.

- Concession management for tourism facilities in the parks improved. New concession agreement templates were prepared with favorable terms for UWA and indeed new concessions were implemented. Although the old agreements with unfavorable clauses like the “exclusion zone” remain in force.

Environmental Risks from Competing Economic Pressures

- Boundaries for almost all PAs were clearly marked, which is an important step to checking encroachment. Other management infrastructure is in place including workshops for vehicle maintenance, offices and accommodation.
- Communities neighboring parks have received and continue to receive tangible benefits through revenue sharing and tourism developments. Park rangers have reported a greater willingness to help manage problem animals, curb encroachment and poaching.
- Giraffe, mountain gorillas, elephants, buffaloes, hippo, Ugandan kob and other species’ populations have increased and sightings of ostrich, kudus, and cheetah have been more frequent. There are even unconfirmed reports of hunting dog, oryx and black rhino in Karamoja.

UWA took the lead in monitoring of oil exploration impacts with the help of NEMA. Oil exploration is occurring in Albertine graben where seven national parks and seven wildlife reserves are located. There is always concern around the impact of oil exploration because of the roads that are built, spillage of oil and other toxic chemicals which pose serious threats to the ecosystems of the PAs. Oil exploration and exploitation is one area where it is not clear that mitigation measures are adequate.

5. Assessment of Bank and Borrower Performance

5.1 Bank Performance

(a) Bank Performance in Ensuring Quality at Entry

Rating: Moderately Unsatisfactory

Evaluation of Bank performance in ensuring quality at entry has to balance good ground work in designing a project that was relevant to Ugandan priorities that led to good outcomes against a number of significant shortcomings. This rating is not an easy call. On the positive side, quality at entry benefited from years of ground work through the ICB-PAMSU project and the incorporation of lessons learned. The project design was and remains relevant and effectively addressed the problems in the management of Uganda’s wildlife and cultural heritage assets.

On the negative side, the risk assessment underestimated governance issues and interference in procurement and local difficulties in coping with ICB procurement. The cost of UWA

infrastructure was seriously underestimated. The results framework, particularly the original one, selected indicators could have been more tailored to the PDOs/GEOs. Also, as discussed, the GEO was a bit overreaching in targeting “long-term” conservation.

In retrospect PAMSU would have more appropriately been characterized as an environmental assessment-Category B, rather than its designation as category C, because PAMSU supported construction of buildings (including water and electric supply) within national parks. Finally, the KPI revisions were substantial and potentially should have triggered OP/BP13.05.

(b) Quality of Supervision

(including of fiduciary and safeguards policies)

Rating: Moderately Satisfactory

At the project team level, the Bank team remained proactive and responsive during the project. There were no delays in providing “no objections” or other actions that were required from the Bank. The project team also responded promptly to requests for minor reallocations of funds, extension of the closing date from December 31st 2007 initially to June 30th 2009 and again to June 30th 2010. The Bank was responsive to other implementation issues as well. **Innovative approach.** The task team supported the arrangement of private/public partnerships (PPP) for some of the lower profile parks, such as the Kaboyo Game Reserve, which was licensed out to the private sector for park management. This PPP relieved UWA of management and maintenance obligations. UWA rangers were on site, but were paid under the PPP agreement (MOU).

ISR ratings of the project were “Satisfactory” for all but one supervision mission, with no issues relating to safeguards or fiduciary matters. Given some delays caused by the issues outlined below, these ratings may at times have been over-generous..

Three key issues arose during implementation with regard to governance which required strategic responses on the part of the Bank team and management. These included: 1) the lack of a sitting Board for UWA in 2004/5 which hampered implementation effectiveness; 2) a country-wide issue with lack of counterpart funding which impacted the budget allocations; and 3) political interference at high levels in the gazettement and management of protected areas and UWA. The Bank’s response was timely and appropriate in two cases and in the third case the response could have been improved. The specific details are included below:

1) Implementation delays due to the lack of a sitting UWA Board – While this issue was discussed with government during supervision missions in 2004, by 2005 the problem had caused significant delays in procurement as there was no Board in place to provide approvals for moving forward on contracting, etc. Prior to the mid-term review, the country manager informed the then Minister of MTTI, by official letter, that “IDA will not issue any further workplan approvals for UWA beyond the September 30th date unless a BoT [Board of Trustees] is in place.” A strong request was made for the BoT to be put in place by September 2005. The Bank’s response was appropriate and the Board was appointed in a timely manner.

2) Implementation delays due to portfolio-wide lack of counterpart funding – Quite early on in the first years of project implementation, it became clear that the implementation of PAMSU was being affected by a portfolio-wide issue of a persistent lack of government counterpart funding. In response to this implementation bottleneck, the Bank agreed to the government’s request in early 2006 to amend the credit agreement to change the disbursement percentages for all categories to 100%. The Bank management agreed with GOU that the best way to address the

problem was to allow for 100% financing against all categories which was consistent with the country financing parameters for Uganda. This amendment was finalized in April 2006.

3) Implementation effectiveness hampered by political interference -- Three major cases of political interference occurred throughout the life of the project which adversely affected implementation progress and effectiveness: a) attempted de-gazettement of the Pian Upe protected area to accommodate foreign investment in cattle ranching; b) tacit government support of encroachment by the Basongora cattle keepers in Queen Elizabeth (QE) National Park; and c) appointment in 2010 of an illegal UWA Board and its subsequent firing of all senior staff. In each of these cases, a lack of governance at high levels (described in more detail in section 5.2) called for a strong and unified response on behalf of Bank management. The response of the Bank focused, particularly in the latter case, primarily on mitigating reputational risk rather than taking a strong stand as to the legality of such actions as in the case of the QE National Park encroachment false imprisonment of UWA rangers and staff or in the case of the illegal Board, the firing of UWA senior staff. In all cases, the situations were resolved eventually through government and/or court intervention.

(a) Justification of Rating for Overall Bank Performance

Rating: Moderately Unsatisfactory

With the shortcomings in ensuring quality at entry and the MU rating, combined with the MS rating for supervision, the overall rating for Bank performance is MU.

5.2 Borrower Performance

(a) Government Performance

Rating: Moderately Unsatisfactory

An important weakness of government performance was the failure to meet its obligation on counterpart funding, and failure to increase funding from central government to the Tourism and Wildlife sector for marketing despite the increasing tourism revenue. The shortfall in counterpart funds was remedied by the Bank's intervention by providing 100 percent funding effective July 2005. Another drawback was political interference particularly in addressing agricultural encroachment and pastoralism in some of the PAs notably Mt. Elgon and Queen Elizabeth National Park respectively, and politically motivated boundary conflicts for a number of reserves.

A significant governance issue arose with respect to the UWA reserve fund, the intent of which was to finance, in particular, large unforeseen capital expenditures that periodically arose with respect to UWA wildlife management infrastructure, e.g., damage from floods and earthquakes, in the absence of future donor financing. The reserve fund could also be used for operational expenses that could not be paid if there were interruptions caused by security issues.

This reserve fund was threatened when the former Minister of Industry, Trade and Tourism replaced the UWA Board, which then fired UWA management. The Bank was concerned that the reserve fund would be vulnerable to use for non-UWA purposes. A Ugandan court ruled that the replacement of the UWA Board was in violation of the Wildlife Act and declared the new Board null. The Act clearly specifies qualifications for Board Membership, as well as their functions. There was also a Board manual in place as well as financial regulations and guidelines. This court decision removed the threat to the reserve fund. As of April, 2011 the fund balance was intact.

Post-project closure a Commission of Inquiry into “value for money” for the government in the PAMSU project was requested by the then Minister of Tourism, Trade and Industry in March 2011 and ran for 4 months. The Commission’s report was delivered to the current Minister in October 2011 and inter alia suggested problems in infrastructure in some protected areas. The government has yet to confirm whether it will “accept” the Commission’s report. As part of its final supervision and completion missions the World Bank team conducted ocular visits to a large sample of infrastructure in a range of protected areas. These visits confirmed a high quality of construction. A post-completion independent review will be conducted by an engineer to provide additional data and lessons learned for future operations. The fund was not used while the PAMSU inquiry was being conducted.

(b) Implementing Agency or Agencies Performance

Rating: Moderately Satisfactory

The IA rating is based on a blend of excellent and weak performances. The long-term performance of UWA was good, and is supported by the output/outcome indicators. In particular, the field staff often demonstrated commitment well beyond the call of duty. There were instances where field staff who were attempting to control illegal grazing within PAs were harassed and even imprisoned. Yet, they continued to do their jobs. In their cases, the performance can be described as highly satisfactory.

At another level, however, early internal governance failures arising from Board interference caused substantial delays and cost over-runs. Fortunately, UWA management and the PCU worked reasonably well with respect to procurement, financial management and reporting functions on the project side. This was one benefit of the “corporate climate” that was established at the UWA.

The PCU worked well for the 2.5 years that it was active in the beginning of PAMSU implementation, providing timely support and oversight to all IAs. Several of the other IAs suffered delays or cutbacks due to government actions outside their control; however these did not seem to harm the overall performance of the IAs themselves. At the closure of the project, unqualified institutional audits were issued for all IAs.

Performance Issues at Individual IAs

Governance issues with MTTI and UWA Board. These issues occurred primarily within UWA through Board interference in procurement in the first years of the project, as described earlier. Governance issues also arose in MTTI in mid-project when funds that were transferred from Ministry of Finance were misappropriated within MTTI before they entered the PAMSU project controls. This issue was addressed by retendering communications and PA civil works contracts consistent with World Bank procurement procedures. The MTTI situation was resolved over a three-year period with the PAMSU task team cooperating with government auditors, during which the UWA suffered a cash shortfall that hindered implementation of some activities.

Capacity Issues at MTTI. Some activities in the statistics, wildlife, and certification divisions in MTTI suffered from staff turnover and high reliance on external consultants with no mainstreaming of capacity within MTTI. Capacity building efforts in the first three years did not materially improve the situation, although specific targets for training and deliverables (certification scheme, statistical database, etc.) were achieved during this period, albeit at escalated costs. After the MTR, with the achievement of the sub-component objectives and their

budgets exhausted, no further capacity development was provided through the project to these activities, although MTTI did continue to support them through its own budget.

Internal cost recovery and financial sustainability. Both UWA and UWEC have the flexibility to introduce their own cost recovery mechanisms through gate entries (UWA/UWEC), use permits (UWA) and concession arrangements (UWA/UWEC). Prudent use of these mechanisms has enabled both organizations to improve their long-term financial sustainability.

Staffing. Performance of some of the implementing agencies was diminished by high rate of senior staff turnover especially at UWA in the areas of financial management and procurement.

Strong capacity within UMMA. The Department of Antiquities and Museums (DAM) demonstrated strong institutional capacity building uptake by the time of the MTR. The UMMA generally exceeded its targets and under-spent its available, allocated budget. Appropriately, the DAM was rewarded through re-allocation of remaining sub-component budget to activities of high priority. This reallocation eventually resulted in a 200 percent achievement of targets within the original design period (5 years) of the project.

Given these facts the individual ratings for the IAs are as follows: MTTI—Moderately unsatisfactory, UWA—Satisfactory, UWEC—Satisfactory, UMMA—Satisfactory.

(c) Justification of Rating for Overall Borrower Performance

Rating: Moderately Unsatisfactory

Despite the governance weaknesses, IAs essentially carried out their responsibilities and contributed to a generally successful project that, among other things, transformed key aspects of PA management that protected and preserved precious and irreplaceable national assets and met most PDO and all GEO indicator targets. In the end, government mechanisms protected the reserve fund, which remained intact. Ugandan courts nullified the Minister's Board appointments and so, in this case, government institutions stood up to a major challenge of governance. However, political interference, procurement and other implementation, delays and associated cost overruns were serious problems and ultimately kept the project from meeting its planned park infrastructure target.

Thus, overall Borrower performance is rated moderately unsatisfactory.

6. Lessons Learned

The project yielded some general lessons that could be relevant to future projects.

Governance. Project design should have a robust assessment of the governance challenges and plan mitigation measures accordingly. While implementation is possible even in the face of ongoing governance issues, shortfalls in implementation and increased costs are likely to occur as a result. Bank management should be proactive and supportive of task teams in the presence of significant governance failures, and should have a plan to address such failures more directly. In the case of PAMSU, no governance strategy was in place at the project start

Long-term engagement in the sector and consistency of the supervision team are assets in using adaptive management methods to resolve issues. In a complex project with multiple implementing agencies adaptive management by an experienced team is important, because the

team is better able to work with a number of different IAs to identify areas of joint interest and mediate any non-productive competition among IAs.

PAMSU Investment phase. A phased approach allowed for the implementing agencies to, first, build a basic operational capacity and, then to benefit more fully from substantial field investment was appropriate under the circumstances. The phased approach permitted the identification and improvement of institutional capacity. In addition, where weaknesses could not be corrected in certain institutions, those institutions could be excluded from subsequent investments. PAMSU implemented this latter lesson by allocating proportionately more follow-on investment support, as well as greater independence in managing their own components to the most successful institutions – UWA and UWEC.

Decentralized Decision-making. Decentralized institutional support is critical when protecting a vulnerable natural and cultural resource base. The decentralization of the decision-making process from UWA headquarters to the field, empowered the previously disenfranchised field-based staff and allowed some autonomy for each protected area in terms of the development of management plans, the disbursement of funds against annual operating plan and the evaluation of the revenue-generating potential of each PA. The phased capacity building of the financial management system at HQ, and subsequently in the field, allowed HQ to have careful control over the financial management system while vastly improving financial reporting from the field. All of these factors in turn contributed to more effective protection during a transition period.

Effective capacity building may take far longer than a single project cycle. The two projects together, ICB PAMSU and PAMSU worked well in succession to provide a sustained effort to build capacity for wildlife management in the Uganda context.

In developing an environmental program, competing needs of ecosystems and commercial development need to be balanced. There needs to be an acknowledgement that some people in the government and amongst the citizenry may wonder why there is a focus on animals when the economic future of Ugandan people depends on the country being developed commercially. The high priority of environmental protection is not a given among every interest group and the case needs to be made continuously that there are substantial economic benefits of environmental protection.

It is critical to estimate construction costs as accurately as possible to avoid confusion in project implementation. In PAMSU, because UWA infrastructure costs were so seriously underestimated, the project team had to re-prioritize what exactly could be financed with the available funds. This meant that some areas would not have new housing and others would have less new housing, contrary to expectations. The inability to meet housing construction targets also gave fuel to critics who questioned the efficiency of project expenditures.

Donor Coordination. Effective donor coordination is itself an effective risk mitigation strategy. The focus of the EU and others on tourism in the early stages permitted PAMSU to focus more effectively on its specific objectives relating to conservation and protecting the critical habitats during the project period. At later stages many donors left the sector due to governance issues and the Bank was relatively isolated at a critical time.

7. Comments on Issues Raised by Borrower/Implementing Agencies/Partners

(a) Borrower/implementing agencies

There were not significant areas of disagreement with the statements in the Borrower's completion reports (Annex 7). However, the Borrower's contribution for the UWEC component expresses concern about the financial sustainability of UWEC. PAMSU's objective was not to ensure full financial sustainability of UWEC, but to improve UWEC's coverage of recurrent costs. In fact, under PAMSU UWEC achieved 95 percent of recurrent cost coverage (86 percent of target). UWEC also established an endowment fund of US\$920,000 from a baseline of zero.

(b) Cofinanciers

No comments were received.

(c) Other partners and stakeholders

Annex 1. Project Costs and Financing

(a) Project Cost by Component (in USD Million equivalent)

Protected Areas Management and Sustainable Use Project - P065437			
Components	Appraisal Estimate (USD millions)	Actual/Latest Estimate (USD millions)	Percentage of Appraisal
SUSTAINABLE WILDLIFE MANAGEMENT	23.90	29.14	122
ENVIRONMENTAL CONSERVATION EDUCATION	0.00	0.00	NA
TOURISM FRAMEWORK	1.60	1.21	75.63
CULTURAL HERITAGE	0.70	0.45	64.29
PROJECT COORDINATION UNIT	0.80	1.12	140.00
Total Baseline Cost	27.00	31.92	118
Physical Contingencies	2.30		NA
Price Contingencies	0.00		
Total Project Costs			
PPF	0.00		
Front-end fee IBRD	0.00		
Total Financing Required	29.30	31.92	109
Protected Areas Management and Sustainable Use GEF - P075932			
Components	Appraisal Estimate (USD millions)	Actual/Latest Estimate (USD millions)	Percentage of Appraisal
SUSTAINABLE WILDLIFE MANAGEMENT	4.10	4.10	100
ENVIRONMENTAL CONSERVATION EDUCATION	3.90	3.44	100
TOURISM FRAMEWORK	0.00	0.00	NA
CULTURAL HERITAGE	0.00	0.00	NA
PROJECT COORDINATION UNIT	0.00	0.00	NA
Total Baseline Cost	8.00	8.00	100
Physical Contingencies	0.00	0.00	
Price Contingencies	0.00	0.00	

Total Project Costs			
PPF	0.00	0.00	
Front-end fee IBRD	0.00	0.00	
Total Financing Required	8.00	8.00	100

(b) Financing

P065437 - Protected Areas Management and Sustainable Use Project				
Source of Funds	Type of Financing	Appraisal Estimate (USD millions)	Actual/Latest Estimate (USD millions)	Percentage of Appraisal
Borrower		3.00	0	0
International Development Association (IDA)	Credit	27.00	31.92	118
P075932 - Protected Areas Management and Sustainable Use GEF				
Source of Funds	Type of Financing	Appraisal Estimate (USD millions)	Actual/Latest Estimate (USD millions)	Percentage of Appraisal
Borrower		0.00	0.00	NA
Global Environment Facility (GEF)	Grant	8.00	8.00	100

Annex 2. Outputs by Component (appraisal amounts in parentheses)

Component 1: Sustainable Wildlife Management (SWM): Uganda Wildlife Authority—US\$ 30.6 million

PAMSU's largest component by far is SWM, which covered mostly infrastructure for parks and boundary demarcation (US\$ 19.98 million), but also covered a substantial amount of operational costs (US\$ 6.09 million).

These investments would help to rationalize and demarcate the boundaries of the national wildlife assets. The project would support the cost-effective management of these assets at the field level through logistical support, equipment and modest targeted civil works for the Parks and Reserves. Civil works target staff accommodations in order to improve morale, effectiveness and reduce rents as a burden on overall agency operating costs. At UWA headquarters, the project would provide support and equipment for ongoing operations and refurbish the existing building in order to save rent costs.

The GEF share of this component reflects the incremental cost of establishing and administering a Protected Area system that would contribute to protection of global biodiversity but is larger than economically justified in the face of competing land uses and the basic needs of a large and relatively poor rural population (see section 3.3 for further discussion). Financial sustainability of this higher central Government commitment would be built up over the project period through reform of park entrance and other user fees. The GEF funding is focused on field operations because of the additional investments required to maintain a PA system that ensures a comprehensive conservation and sustainable use of Uganda's biodiversity. This effort would focus on maintaining infrastructure, supporting surveillance and monitoring, and providing ongoing training in remote but biologically important areas that typically did not benefit sufficiently from ecotourism alone to maintain their resources.

UWA, with support from the EU, and the ICB-PAMSU Project, initiated a process of assessing the current status of the PA system with the aim of rationalizing it. The rationalization process involved revising and re-aligning the PA system to ensure that it (i) protected a high-quality, representative sample of the country's biodiversity heritage and ecosystems, (ii) was manageable over the long term, and (iii) provided a suitable basis for a sustainable tourism sector. The assessment process took about 24 months, included ecological/biodiversity, economic and social criteria, and involved participation of national and local governments and potentially affected communities.

The GEF supports rationalization of the PA system in its implementation phase to ensure inclusion of areas of globally significant biodiversity. Before the PA system assessment was undertaken, comprehensive knowledge of the coverage of Uganda's protected areas and the nation's biodiversity represented in those areas, inclusion of all major ecosystem types, etc.) was lacking. The Protected Areas System Plan (PASP), which was prepared with support from ICB-PAMSU, includes definition of appropriate boundaries, resolution

of disputes outstanding and arising from the process, and identification of areas for pilot community conservation activities.

Implementation of the plan is identified as part of an expensive process of “capitalization” of an improved PA system in Uganda. Because of Uganda’s commitments under the Biodiversity Convention, this is a much more comprehensive effort than would be warranted to meet Uganda’s more limited national objectives of maintaining only the most affordable of the existing PAs.

Resettlement. The project provides funds to engage a team of consultants to review and design appropriate plans to address the specific issues of people resident in the Protected Areas, or using the PA resources. This activity was limited to the design of options for addressing these specific issues. All options were to be fully consistent with the World Bank Safeguard policies. The implementation of the plans would not be part of the PAMSU project, but rather to be financed under a separate project. The World Bank gave its written commitment to the GOU to provide financing for this activity. However, this planned sub-component was canceled (see section 1.8).

Component 2: Environmental Conservation Education Agency: Uganda Wildlife Education Centre—US\$ 3.9 million

UWEC’s activities create public awareness and knowledge about Uganda’s wildlife as well as about broader environmental and conservation issues. The project would provide logistical support, some equipment and construction funds for establishing new programs for visitor education, especially for school children. UWEC reaches out to school children around Uganda by funding both day-time visits for nearby schools and an overnight residency program for children living in more distant locations. The project funds construction and maintenance of new exhibits highlighting Ugandan wildlife to increase the range of educational messages. Support would also be provided for improved animal holding and veterinary facilities for both the needs of UWEC and the Wildlife Department.

Under ICB-PAMSU the GEF heavily supported the UWEC activities. Under this component in the present project, GEF resources would continue to support conservation education awareness programs. The high proportion of GEF assistance for this component recognizes that, in the very long term, better public awareness of Uganda’s unique national biological heritage and the economic benefits of biodiversity conservation would build support and willingness to pay for conservation of these resources in the face of competing land-use and other development pressures.

NB. This table is not strictly necessary here as you will have to present this information in an annex together with actual cost and financing figures. I would suggest eliminating it here and also perhaps the component descriptions, which should also go in an annex, in order to save space in the main text.

Component 3: Tourism Framework Agency: Ministry of Tourism, Trade and Industry—US\$ 1.7 million

MTTI's mission and efforts within the project would focus upon developing the tourism sector of the economy to the maximum extent possible, consistent with the protection of environmental and cultural values. The project would provide funding for logistics and equipment to (1) establish a sustainable tourism framework based on policy development and enabling legislation; (2) provide for licensing and registration of operators within the sector to ensure quality; (3) develop accurate statistics on the sector; and (4) facilitate the improvement in human resource training.

Under this component, support would also be provided for the Wildlife Department in the MTTI. This support would include training, equipment, management support and technical capacity building to enable the Wildlife Department to carry out Uganda's responsibilities under relevant international treaties, and in particular to function effectively as the national Management Authority for the Convention on International Trade in Endangered Species (CITES).

Component 4: Cultural Heritage Agency: Department of Antiquities and Museums—US\$ 0.78 million

The project would provide moderate operational funds, some equipment and civil works to continue the establishment of Uganda Museums and Monuments Agency (UMMA). These funds would finalize the former Department's transition to a sustainable semi-autonomous agency and facilitate expansion of the offerings at the Museum and the identification and development of remote antiquarian sites of significant importance to Uganda's cultural heritage.

Component 5: Project Coordination Agency: Project Coordination Unit (PCU)—US\$ 0.90 million

The Project Coordination Unit, established under ICB-PAMSU, would continue to function as the PCU for the implementation of PAMSU project for its first two and a half years. The PCU would continue to build the capacity of the implementing agencies in order for them to take over the responsibility for project management including procurement and reporting.

ANNEX TABLE 2.1: PAMSU Boundary Marking Against Planned Targets

Protected area	Already marked Km (Baseline)	Number of kms planned	No. of kms marked under PAMSU	Remarks
Rwenzori National Park	0 (with 54Km of Intern. Boundary)	260	260	Completed as planned, Pillars placed on ridges, entire boundary also marked with trees
Mt. Elgon National park	0 (with 61Km of Intern. Boundary)	210	200	Completed as planned Pillars followed 200metre interval. Also marked with trees
Queen Elizabeth National Park	184 (Some of this is marked with natural features)	35	35	Completed as planned
Bwindi Impenetrable NP	41.6 (Some of this is marked by natural features)	35	35	Completed as planned. Only the previously un marked sections of the boundary were marked
Lake Mburo NP	18	72	72	Completed as planned
Semliki NP	0 (with 55Km marked by road/Intern. boundary)	26	26	Completed as planned
Murchison Falls NP	245 (marked by natural features)	50	40	Work not completed due to boundary conflicts
Kibale NP	37.5	30	30	Completed as planned
Kidepo NP	0 (with 48 Km intern. Boundary)	80	40	Work not completed due to insecurity in Karamoja region
Wildlife Reserves				
Ajai Wildlife Reserve	0	70	68	Completed as planned
Katonga Wildlife Reserve	0	50	25	Completed as planned, other sections of the boundary naturally marked by the River Katonga
Kigezi Wildlife Reserve	18.5	20	20	Completed as planned
Toro semliki	12	85	86	Completed as planned
Kabwoya	0	20	20	Completed as planned
Karuma	0	50	50	Completed as planned
East Madi	0	30	NOT DONE	Conflict over boundary between Adjumani and Amuru Districts
Pian -Upe	0	150	35	Work not completed due to general insecurity in Karamoja region
Bokora-Matheniko	0 (With 49Km intern. Boundary)	200	115	Work not completed due to insecurity in Karamoja region and conflicts over the boundary
Total	556.6	1,473	1,157	
Adjustment		-37	0	
Total Adjusted		1,436	1,157	

ANNEX TABLE 2.2: Increased Revenues at UWA

Financial Year	PA Entry and Recreational Activities	Concessions Income	Other Income	Total Internally Generated Income
2002/2003	4,762,265,007	683,939,268	327,957,818	5,774,162,093
2003/2004	5,988,363,418	443,071,322	407,894,280	6,839,329,020
2004/2005	7,212,551,146	361,259,102	404,451,036	7,978,261,284
2005/2006	8,214,785,349	345,020,048	267,905,104	8,827,710,501
2006/2007	9,983,286,154	513,469,466	308,609,944	10,805,365,564
2007/2008	11,722,890,746	911,210,653	708,289,858	13,342,391,257
2008/2009	13,813,838,958	936,356,200	2,314,370,792	17,064,565,950
2009/2010	17,931,479,122	1,440,022,172	1,820,517,004	21,192,018,298
2010/2011	22,046,064,016	1,678,840,092	3,069,663,521	26,794,567,629

ANNEX TABLE 2.3: Summary of PAMSU Outputs after Implementation

Output/Intermediate Outcome	Baseline	Final Actual	Target
Own revenue generation at UWA (billion Ug Shilling)	4.7 bill.	15.7 bill.	10.8 bill
UWA reserve funds available	0	\$5.7 mill.	\$1.0 mill.
Number of visitors to protected areas	66,542	142,884	200,000
Tourism policy adopted and enabling legislation enacted	No policy or legislation	Policy adopted, bill enacted	Done
National site registry for all antiquities and monuments database developed	No registry	Site registry & database developed	Done
Culture sites gazette or developed	0	20	40
UWA central recurrent costs as a proportion of total recurrent costs	42%	<30% excludes PAMSU costs	30%
UWA boundaries demarcated in PA system	0%	80%	100%
UWA proportion of field staff housed adequately on site	10%	50%	100%
Total number of visitors to UWEC	144,030	213,198	250,000
UWEC capital reserve fund	0	\$920,000	\$1 mill.
Revenues from Tourism Development Fund Levy	0	UgSh2 bill.	>0

Annex 3. Economic and Financial Analysis

(including assumptions in the analysis)

This economic analysis is based on benefits linked to the increase in tourism during PAMSU. Tourism visits increased from a baseline of 40,000 visits to 170,000 visits to the country, predominantly to the PAs, a net increase of 130,000 tourist visits. Actual total tourist revenue was US\$ 662 million for 2010, or US\$ 3,894 per tourist. Based on the assumption that 3 percent of the incremental tourist revenue is attributed to the PAMSU investments, the rate of return is a positive 8 percent. If the attribution rate is raised to 5 percent then the return is 17 percent (Annex Table 3-b.).

Annex Table 3-a.: Net Revenue Stream on Assumption of Tourism Revenue Attribution of 3%

		Net Revenue Stream--Amounts in millions of US\$										
Year		0	1	2	3	4	5	6	7	8	9	10
Incremental Revenue		0.00	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04
Investment Cost		30.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance of PAMSU			1.53	1.53	1.53	1.53	1.53	1.53	1.53	1.53	1.53	1.53
@5% per year	0.05											
Incremental Revenue		-30.60	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57	4.57

Annex Table 3-b.: Sensitivity Analysis for Returns on Sustainable Wildlife Component

Scenario	Increase in Number of Tourists	Amount spent per tourist	%age net return on Tourist Revenue	%age of tourism attributable to PAMSU	Gross annual benefit from PAMSU	Internal Rate of Return
1	130,000	\$3,894	20%	1%	\$1,012,440	-3%
2	130,000	\$3,894	20%	2%	\$2,024,880	3%
3	130,000	\$3,894	20%	3%	\$3,037,320	8%
4	130,000	\$3,894	20%	4%	\$4,049,760	13%
5	130,000	\$3,894	20%	5%	\$5,062,200	17%

Annex 4. Bank Lending and Implementation Support/Supervision Processes

(a) Task Team members

Names	Title	Unit	Responsibility/ Specialty
Lending			
Nathalie Johnson	Sr Environmental Spec.	AFTEN	Environment
Herman Jack Ruitenbeek	Consultant	ECSS3	Environment
Supervision/ICR			
Ellen J. Tynan	Sr Environmental Spec.	AFTEN	Environment
Nathalie Johnson	Sr Environmental Spec.	AFTEN	Environment
Gladys Akurut Alupo	Program Assistant	AFMUG	Admin
Grace Nakuya Musoke Munanura	Procurement Specialist	AFTPC	Procurement
Harriet E. N. Kiwanuka	Program Assistant	AFMUG	Admin
Herman Jack Ruitenbeek	Consultant	ECSS3	Environment
Mary Consolate Muduuli	Operations Officer	AFMUG	
Patrick Piker Umah Tete	Sr Financial Management Specia	AFTFM	FM
Paul Kato Kamuchwezi	Financial Management Specialis	AFTFM	FM
Richard Olowo	Senior Procurement Specialist	AFTPC	Procurement
Yesmeana N. Butler	Program Assistant	AFTEN	Admin

(b) Staff Time and Cost

Stage of Project Cycle	Staff Time and Cost (Bank Budget Only)	
	No. of staff weeks	USD Thousands (including travel and consultant costs)
Lending		
FY02	17	68,295
Lending Total:	17	68,295
Supervision/ICR		
FY03	13.2	47,446
FY04	13.55	86,897
FY05	11.46	65,589
FY06	17.86	73,390
FY07	22.8	88,597
FY08	18.31	100,813
FY09	13.8	92,418
Y10	14.33	95,141
FY11	10.47	52,122

FY12	0.95	3,967
Supervision Total:		
Grand Total	153.39	774,689

Annex 5. Beneficiary Survey Results *(if any)*

N.A.

Annex 6. Stakeholder Workshop Report and Results *(if any)*

N.A.

Annex 7. Summary of Borrower's ICR and/or Comments on Draft ICR

Note: The Borrower's ICR was provided in two separate reports, one covering the UWA component and the second covering the other components including the PCU.



UGANDA WILDLIFE AUTHORITY

PAMSU implementation by UWA: Summary report of key achievements and challenges 2002-2009.

1.0 INTRODUCTION

The Protected Areas Management and Sustainable Use (PAMSU) Project supported UWA to enhance the capacity of the organization to manage the wildlife and protected areas of Uganda. This was done through financial support to implement various activities especially in the areas of boundary demarcation, infrastructure development, capacity building, community conservation awareness programs, developing management plans for different protected areas, wildlife surveys and censuses etc

The project supported the cost-effective management of assets at the field level through logistical support, equipment and modest targeted civil works for the Parks and Reserves. Civil works targeted staff accommodations in order to improve moral, effectiveness and reduce rent as burden on overall agency operating costs.

Implementation of the PAMSU project activities commenced towards the end of 2002.

1.0 ACHIEVEMENTS

1.1 Boundary marking

The boundary marking activity had three major sub components, that is, the boundary survey, marking the boundaries with concrete markers and marking the boundaries by planting trees. Boundary survey activities aimed at re-defining the protected area boundaries took place in 10 protected areas namely Rwenzori, Mt. Elgon, Lake Mburo, Kibale National Parks and Ajai, Katonga, Toro Semliki, Kabwoya, East Madi and Karuma wildlife reserves. 18 protected areas had their boundaries marked by constructing concrete pillars along their respective boundaries. Only two protected areas were designed to have their boundaries marked by planting trees to re-enforce concrete pillars. These are Rwenzori and Mt. Elgon National Parks. In all the protected areas where this exercise was undertaken, boundary related conflicts have been resolved to a great extent.

1.2 Construction of office and accommodation infrastructure

At headquarters, the project constructed a new headquarter building and furnished it not only to create a good working environment for the headquarter-based staff but to also save rent costs. At the field level, offices and staff accommodation facilities were constructed in five protected areas i.e. Bwindi, Queen Elizabeth, Murchison Falls and Kidepo National Parks. Among the wildlife reserves, it is only Toro Semliki Wildlife Reserve that benefited from this project as far as infrastructure development was concerned. Staff in these protected areas now live and work in a very good environment.

1.3 Acquisition of equipment to support management of the protected areas

1.3.1 Motor vehicles

Thirty eight four-wheel drive pickups and 15 motorcycles were procured to strengthen protected area operations especially in areas of law enforcement deployments and patrols, conservation awareness activities and general protected area administration purposes.

1.3.2 Road equipment units

Three road construction and maintenance equipment units comprising of a grader, tipping tracks, roller and water bowsers were procured for Kidepo National Park, Queen Elizabeth National Park and Murchison Falls National Park. This equipment was critical in maintaining the park infrastructure especially in park access roads and tourism tracks

1.3.3. Radio equipment and accessories

Two thousand nine hundred and ninety four (2,994) pieces of communication radio equipment and accessories were procured and installed in the various protected areas across the country. This further strengthened the law enforcement operations especially given the fact that the protected areas are remotely located without ordinary mobile telecommunication facilities and coverage.

1.3.4. Computers and internet

One server machine, 46 computers, Internet connectivity to the offices and telephone interconnection system (PABX) were procured to strengthen the ICT capacity of the organization.

1.3.5 Staff Uniforms

To support the field operations, staff uniform was procured twice over the project life the first batch being in 2004 while the second was in 2008. The packages included 2 sets of office (cream/yellow shirts and green trousers) and one set of field attire (both green shirts and trousers made out of hard material), jungle boots, raincoats, belts, caps/berets and sweaters. All staff in the organization (1,381) benefited from uniform supplies.

1.4 Strengthening staff capacity through training

A number of trainings for staff were conducted to strengthen the human skills of the organization. Several training sessions were conducted for both junior and senior staff in paramilitary skills in 2004, 2007 and 2008. All chief wardens and wardens in charge of protected areas underwent training in human resources management. All senior staff at managerial level (coordinators and managers) underwent training in Financial Management for Non-Financial Managers. Selected senior officers underwent training in the “procurement guidelines for World Bank funded projects” in India. Capacity was built in areas of collaborative management that gave rise to the Partnership Agreement for Kabwoya WR. Capacity was also built for Local Governments around PAs in managing revenue sharing funds through Community Protected Area Institution (CPI). Capacity to implement the Wildlife Use Rights in the Wildlife Act was also built through training of staff in CITES. Compilation of the organizational fixed assets register by Price Water House Coopers was funded under PAMSU.

1.5 Park operations

The project provided operating support and equipment for on-going operations.

Several activities for managing the protected areas were funded under this project. These included vehicle running costs, repairs and maintenance, food ration for rangers on field patrols, community conservation activities, protected areas planning and wildlife aerial surveys and ground wildlife censuses.

Management plans for Rwenzori National Park, Semliki National Park, Ajai Wildlife Reserve, Toro Semliki Wildlife Reserve and Mt. Elgon National Park were developed using project funds. This has ensured that management of these protected areas is not half hazard but is done based on well elaborated plans. The organizational strategic plan setting the overall strategic direction was developed in 2007 using the project funds.

Periodic Systematic Reconnaissance Flights (SRF) were conducted in Queen Elizabeth National Park, Lake Mburo National Park, Murchison Falls National Park and Kidepo National Park to establish large mammal wildlife populations and their distribution in the respective protected areas. SRFs were augmented by ground counts to ascertain the results of aerial surveys. Through these wildlife census techniques the organization has been able to establish positive trends of wildlife recovery over the years.

Law enforcement operations were a significant component of the project. The project was borne at a time when there were insecurity threats in most of protected areas. In Murchison Falls National Park, the Lord's Resistance Army (LRA) insurgency had been ongoing for years with negative impacts on both the tourists and the wildlife that was wantonly hunted. Bitter memories of the attack on Bwindi killing several tourists and a UWA staff were still vivid. Allied Democratic Forces (ADF) was operating in the western parts of the country affecting Semliki National Park, Rwenzori National Park, Queen Elizabeth National Park, Kibale National Park and Toro Semliki Wildlife Reserve. These armed conflicts within and around protected areas meant a fresh look at the law enforcement operations of the organization. A special force (SWIFT) comprising the UWA rangers and Uganda Peoples Defense Forces (UPDF) was created to combat these threats and ensure the safety of visitors and wildlife.

3.0 SUMMARY OF PERFORMANCE AS PER PROJECT INDICATORS

Looking at the performance indicators, by 2009 there was general positive gains. UWA own revenues as proportion of recurrent costs rose from 49% in 2002 to 77% in 2009. The number of PAs with significant conflicts relating to community use or access reduced from 19 in 2002 to only 2 in 2009. Considering the proportion of PAs showing evidence of increased population of key mammal species, in 2009 all PAs showed evidence of increased population of key

mammal species. Internally generated revenues by UWA rose from 4.7 in 2002 to 15.7 billion UG SHS in 2009 surpassing the target of 10 billion Uganda shillings projected by the end of the project.

UWA Reserve Fund Revenues Available (US\$) rose from 0 (zero) in 2002 to 5.7 million US \$ exceeding the targeted value of 1m US\$ at the end of the project period. The number of visitors to the protected areas rose from 66,542 visitors in 2002 to 142,884 in 2009 less the target of 200,000 by the end of project. UWA Boundaries demarcated in PA system stood at 90% by 2009. UWA proportion of field staff housed adequately on-site stood at 40% up from 10% in 2002.

4.0 CHALLENGES AND LESSONS

4.1 Boundary marking challenges

It was difficult to get contractors to work in the Karamoja region. The works were advertised three times before we could get people interested in working in Karamoja. The area is perceived as being insecure with the hostile Karamajong. Because of this insecurity the protected areas in Karamoja were not fully marked. In some areas there were disagreements over the boundaries and these could not be marked as was the case of East Madi Wildlife Reserve. problems still remain in Mt. Elgon National Park where boundary conflicts still exist despite the fact that the entire boundary perimeter was marked. Local politics regarding acquisition of park land has been largely responsible for these conflicts.

4.2 Infrastructure development challenges

While the original intention was to establish offices and descent staff accommodation in all the protected areas this was not possible because of the following reasons:

- Cost-escalation in the sector over 7 years for general materials and labor. There was a substantial increase in the cost of construction in Uganda. The increase greatly outstripped the inflationary provisions in the budget and led to a shortfall in the funds allocated for infrastructure development.
- Due to the location of most of the infrastructure in earthquake prone areas especially in western and south western Uganda, coupled with the poor soils (mainly clayey and therefore with variations in water absorption during the wet and rainy seasons leading to huge forces impacting buildings), the design of the infrastructure was greatly modified to ensure standards that

can withstand the forces of the earth movements. This factor contributed substantially to the increased cost per unit of the buildings.

- The location of the sites is remote. The contractors quoted much larger overhead costs than originally envisaged indicating the need to transport materials and the high costs of professional staff in such remote areas.
- Security concerns in some parts of the country where initial infrastructure expenditures were made
- Changes in design to cater for separate women's quarters

4.3 Insecurity

Security threats due to armed rebellion in the north by LRA and the west by ADF for both the visitors and wildlife resources was a key challenge in re-establishing the confidence of tourists to visit the protected areas and to rebuild the wildlife populations in the various national parks and wildlife reserves.

Note the Ministry of Tourism, Trade and Industry produced a full report, entitled IMPLEMENTATION COMPLETION REVIEW OF THE PROTECTED AREAS MANAGEMENT AND SUSTAINABLE USE (PAMSU) PROJECT (MTTI, DAM, UWEC AND PCU COMPONENTS), which covered non-UWA components. This report is excerpted here.

Background and Objectives

1. The ICB-PAMSU Project implemented during the period 1999 to 2001 was the precursor to the PAMSU project. The ICB-PAMSU aimed at establishing the institutional capacity within the wildlife and tourism sectors needed for planning and implementation future investment programmes including the PAMSU Project. The achievement of the institutional targets of the ICB-PAMSU project was the justification for launching the investment “PAMSU Project”
2. The PAMSU project as a successor of the ICB-PAMSU Project aims to build on the achievements and lessons learned during the implementation of the later and to ensure sustainable and cost-effective management of Uganda’s wildlife and cultural resources. The project was designed to support the Government’s development strategy, which seeks to reduce poverty through sustainable economic growth and development, within the framework of economic stability and protection of the environment and natural resources.
3. The objective of the project is the “sustainable and cost-effective management of Uganda’s wildlife and cultural resources” through: (i) providing funds for improving Uganda’s ability to attract tourists to its wildlife and cultural heritage and (ii) encouraging cost-effective management strategies so as to reduce the operating of the institutions managing these resources.

Overall Performance

17. Background: The development objective of the Protected Area Management for Sustainable Use Project (PAMSU) was the “Sustainable and cost-effective management of Uganda’s wildlife and cultural resources”. Sustainability is promoted through a combination of (1) providing funds for improving Uganda’s ability to attract tourists to its wildlife and cultural heritage while, (2) encouraging cost-effective management strategies so as to reduce overall operating costs of the institutions managing these resources.

18. The project consisted of four components, each of which was the responsibility of one of the four implementing agencies. The project was financed through separate special accounts for each of Uganda wildlife Authority (UWA), Uganda Wildlife Education Centre and the Project Coordination Unit (PCU) under MTTI. The PCU was headed by the Project Coordinator and was staffed with procurement and financial management

staff. At mid-term, the PCU was phased out and the MTTI took over direct management of the component and its remaining activities.

20. Implementation: Implementation effectiveness was designed to be assessed using indicators of performance for each of the components and their implementing agencies. Generally, implementation of project activities went according to schedule and most of them were completed in a timely manner. Most of the outputs related to the procurement and implementation of civil works, equipment, goods and technical assistance indicate that these were achieved according to the implementation schedules (annexes). Additionally, the outcomes were generally accomplished by end of project implementation. Table -: below gives the status of the various major indicators as at June 2007.

Table i: Achievement of targets

Indicators and targets	Status of indicator at project completion
120,000 visitors/year including 80,000 students	Achieved in the first year of implementation and is maintained
Wildlife Conservation Education (WCE) into primary school education	Wildlife Conservation Education (WCE) is in the secondary education curricula
40% of primary schools receive Wildlife Conservation Education material	UWEC established additional conservation education training programmes and participates in the development of relevant materials
Accurate and reliable information (statistics, market analysis, etc) about Uganda's tourist potential	E&M data was collected in 2003. The collection of further E&M data stalled as attention was refocused on hotel related data.

21. The project implemented a monitoring system which included, in addition to the World Bank Financial Management Reports, quarterly Progress Reports. This report was compiled from reports and discussions with each of the implementing agencies. As indicated in the table – above and will be shown in each of the component specific sections, the major indicators and targets were achieved in a timely manner.

2. There were no major issues related to procurement. The PCU actively supported the implementing units with the process. The initial shortcoming of lack of a contracts committee at UWEC was covered by the Ministry's contracts committee. Counterpart funds were initially not disbursed as budgeted causing a significant short fall. However, the amendment of the Development Credit Agreement and the Project Agreement after the Mid-term Review to allow 100% financing by the credit for all procurement categories mitigated the financing constraint.

23. Financial Performance: As indicated above, financial management was carried out by the PCU for the MTTI component and by UWEC for conservation education

component. Generally, the flow of resources progressed well with sufficient capacity at both offices. Table i below indicates that 90.69% of the total financial resources availed to the four components had been utilized at the time of the review.

Table ii: Budget Performance ('000 USD)

Component	Budget	By June 2007	Balance (%)
Tourism/Wildlife	1,375.30	1,205.53	169.77(12.3%)
DAM	664.10	452.42	211.68(31.9%)
PCU	1,060.00	1,119.59	-59.59(-5.62%)
UWEC	3,760.0	3,443.2	356.8(9.4%)
Total	6,859.40	6,220.74	638.66(9.31%)

24. The analysis shows the highest utilization ratio at the PCU which had utilized in excess of the resources that were originally budgeted for it. The details of financial performance for each activity are given in the individual component analysis and the annexes.

25. Sustainability: Many activities initially financed by the project stalled immediately project financing ceased. These and other activities including the operation and maintenance of equipment and vehicles financed by the project will need to be adequately provisioned for in the ministry's budget

26. The Ministry has gaps in its new structure and, additionally, the implementation of the Tourism and Wildlife Policies will require appropriate structures in the (tourism) districts. These positions should be filled to enhance the implementation of the ministry's activities.

27. To facilitate the implementation of the new Tourism and revised Wildlife policies enabling legislations are required. Therefore the Tourism Act and the revision of the Wildlife Act will need to be completed expeditiously.

Tourism Framework Component: The Ministry of Tourism, Trade and Industry (MTTI)

28. Background: MTTI's mission and efforts within the project focus upon developing the tourism sector of the economy to the maximum extent possible, consistent with the protection of environmental and cultural values. The project will provide funding for logistics and equipment that will (i) establish a sustainable tourism framework based on policy development and enabling legislation; (ii) provide for licensing and registration of operators within the sector to ensure quality; (iii) develop accurate statistics on the sector; and (iii) facilitate the improvement in human resource training.

29. Under this component, support will also be provided for the Wildlife Department in the MTTI. This support includes training, equipment, management support and technical capacity building to enable the Wildlife Department to carry out Uganda's responsibilities under relevant international treaties, and in particular to function effectively as the Management Authority for the Convention on International Trade in Endangered Species (CITES).

30. Implementation: The implementation of this component was undertaken by the technical units of the Ministry. The objective of the component was to develop a framework for the tourism sector of the economy in a manner consistent with the protection of environmental and cultural values

31. The key performance indicators under MTTI were: (i) adoption of a Tourism Policy and enabling legislation; (ii) establishment of a licensing and registration system for major service providers; and (iii) the compilation of an extensive data base to provide accurate and reliable information to the industry.

32. The implementation of the component progressed according to schedule. The procurement of equipment and services was completed and key deliverables achieved according to schedule. The Tourism Policy was adopted and the Wild Life Policy revised. However, the enabling legislations for the implementation of these policies were not enacted yet enacted as at the time of this review.

33. *Tourism Policy and Planning:* The MTTI developed the Tourism Policy through a detailed consultative process and the policy was approved in 2003. However, the evolution of the enabling legislation was slow. A draft Bill was prepared in consultation with the Attorney General's office and key stakeholders prior to the approval of the Principles of the Bill by Cabinet. A retreat to sensitize Members of Parliament on the proposed legislation took place in May 2007. It is expected that the Bill will soon be debated in Parliament.

34. At commencement of project implementation, it became evident that *zonal planning* was not feasible because of lack of institutional/administrative framework for zones. It was therefore decided that the "district" (as an entity) be used as the basis for planning as it represents a well understood and functional unit in the national administrative structure. Accordingly, it was decided that district tourism plans be developed for an initial 10 priority districts. Four of the ten district tourism plans were developed and printed.

35. The MTTI recognized that sustainability of the Tourism framework depends on the linkages with the Tourism areas. Therefore the Ministry promoted the establishment of the position of District Tourism Officers, District Tourism Associations and the training and sensitization of District Tourism stakeholders. Unfortunately, because of financial constraints, many districts did not approve the position of District Tourism Officers in their administrative structures and the sensitization activities were undertaken, at best, only on a limited scale.

36. *Statistical Base:* The project activities included the establishment of baseline data on key attributes and the building of systems for sustainable collection, analysis and dissemination of data relevant for the development of policies for the sector. Two Expenditure and Motivation (E & M) surveys for both low and high season were carried out in 2003. Data was collected and processed for the period to 2004 and is currently stored on a database developed for this purpose. Further collection of data is now focused on a hotel sector survey, which has been undertaken in ten districts.

37. The second main activity was the development and introduction of new arrival/departure cards. It was agreed at the East Africa level to change the immigration cards to single arrival/departure cards. The cards were developed and are in use in the three countries of the East Africa Community. The printing of cards was transferred to the Ministry of Internal Affairs as one of its regular activities.

38. The division is currently staffed by only the Assistant Commissioner responsible for policy and planning and a Senior Tourism Officer who is also the Statistician.

39. *Classification:* The Criteria for the classification of hotels were developed and approved at the regional (East African Cooperation) level. They were subsequently published and printed and disseminated. The Action Plan to implement the Criteria was unfortunately not immediately implemented due to lack of project financial resources. However, in preparation for Commonwealth Heads of Government Meeting (CHOGM) planned for November 2007, the Government of Uganda identified other financial resources and aggressively implemented the Action Plan. Subsequently, among other activities, key members of hotel industry staff were trained in Kenya and in South Africa.

40. Sensitization was undertaken in Kampala, Mukono and Wakiso in preparation for the classification process. During this process, the concept of classification and grading, the objectives of the classification and grading of tourist accommodation facilities, the road map to the classification, financing mechanisms and the implementation schedule were presented to the stakeholders. Subsequently a grading and classification was undertaken in the three mentioned districts. It is planned that this will be taken to other parts of the country

41. Although, it is clear that the classification process has increased the level of investment in the industry, its implementation is still undermined by lack of a clear legal framework and the necessary financial resources.

42. *Wildlife:* The project activities for this sub-component included developing a database for Trade and wildlife statistics, participation in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) finalization and Dissemination of the Wild Life Policy, finalization and dissemination of Wildlife Statute and the procurement of required vehicle and office equipment.

43. The project financed training for one staff at Masters Degree level, training of other staff on short courses in Lusaka Zambia. Staff were also able to attend the 2004

CITES in Bangkok. Currently, Uganda represents Africa at CITES. A database on the adherence to Established Quarters was established and, as a result, members of staff are now able to set and monitor Quarters on trade in endangered species.

44. The revision of the Wildlife Policy was completed. However, its implementation awaits the revision of the Wildlife Act. Proposals were developed for the revision of the Act but this is yet to be presented to Parliament.

45. *Procurement:* Other activities which included procurement of the necessary equipment for the ministry headquarters and other units of the ministry, tour operators and for the border posts (vehicles, computers, radio etc), the training of staff, and various dissemination and border sensitization workshops were completed.

46. *Financial Performance:* A review of the utilization of financial resources on this component shows that approximately 43.5% of the money was utilized to as at June 30, 2007.

Table iii: MTTI Budget Performance

Item	Budget	By June 30, 2007	Balance Available (%)
Expenditure	1,375.30	1,205.528	169.77(12.3%)

47. **Sustainability:** The following issues relating to the sustainability of the project activities will require careful consideration:

- Some project activities were not implemented during the post mid-term period because the project financial resources were reassigned to revised priorities. These activities include: further collection and processing of statistics and their storage into the database, developing and printing of the remaining District Tourism Plans and sensitization of stake holders on the values of Classification, etc. Going forward after the project, these activities and other recurrent activities like the printing of immigration cards, training of staff, etc will continue to require substantial amounts of recurrent expenditure.
- The equipment and vehicles procured during project implementation will require financial resources to manage them and, as they approach obsolescence, to replace them.
- Some members of her staff who had been trained under the project left MTTI and many positions remain unfilled in the ministry's structure. Further more, the implementation of the Tourism and Wild Life Policies will require appropriate structures to be implemented in the (tourism) districts. Building on the functional analysis that was recently carried out by the Ministry and the subsequent approval of a new structure by Government, the approved positions should be filled up in order to enhance the implementation of the ministry's activities.

- In order to facilitate the implementation of the new Tourism and revised Wildlife policies enabling legislations need to be in place. Therefore the Tourism Act and the revision of the Wildlife Act will need to be completed expeditiously.

Environmental Conservation Education Component: Uganda Wildlife Education Centre (UWEC)

48. Background: The Uganda Wildlife Education Centre (UWEC) is legally established as a Trust with a 9 member Board appointed by the Minister, and registered in Uganda. UWEC has been successful at attracting a number of private sector donors. These donations are generally restricted to the development of new exhibits rather than running costs, which have been met by GOU subventions and projects, self-generated funds (mostly admission fees) and external donors.

49. UWEC's activities were aimed to create public awareness and knowledge about Uganda's wildlife as well as broader environmental and conservation issues. The project provided logistical support, some equipment and construction funds for establishing new programs for visitor education especially school children. UWEC was expected to reach out to school children around Uganda by funding both day time visits for nearby schools and an overnight residency program for children living more distant. New exhibits construction and maintenance highlighting Ugandan wildlife were funded by the project to increase the range of educational messages of interest. Support was also provided for improved animal holding and veterinary facilities for both the needs of UWEC and the Wildlife Department.

50. Under this component, GEF resources were used to support conservation education awareness programs. The high proportion of GEF assistance to this component recognized that, in the very long term, better public awareness of Uganda's unique national biological heritage and the economic benefits of biodiversity conservation would build support and willingness to pay for conservation of these resources in the face of competing land-use and other development pressures.

51. Implementation: The objective of this component of the project was to create public awareness and knowledge of environmental and conservation issues. The achievement of this objective was to be assessed by the level of integration of a wildlife conservation curriculum into primary school education and the level of visitation as seen by the quantity of day-trip and overnight programs for school child education.

52. It was expected that the activities under this component would expand the centre's message and appeal through development of three major exhibits (Rhino, and both Kidepo and Lake Mburo ecological zones). An indicator of the progress of implementation of the rehabilitation efforts was the completion and population of a new Chimpanzee rehabilitation site.

53. The physical implementation of the component progressed well and most activities were completed although UWEC indicates that under budgeting for many of the

key activities of the project like civil works, veterinary drugs, and recurrent expenditures for conservation education slowed down implementation as multiple iterations of the procurement process were carried out to try and achieve acceptable bids. In spite of this, the implementation of civil works and technical assistance activities, conservation awareness campaigns and the procurement of equipment were completed.

54. The visitor numbers were 144,000, 180,500, 165,000, 163,000, and 174,000 in 2002, 2003, 2004, 2005 and 2006 respectively. Thus, the target of 120,000 visitors per year was achieved and held steady. The target of 80,000 students per year was achieved in 2006 when 89,500 students visited UWEC. The challenge for UWEC will be to maintain these numbers.

55. The second key activity, Conservation Education that is central to the objectives of the centre, was implemented in a satisfactory manner. Conservation Education is now well integrated in the curricula of secondary schools. In addition to integrating Conservation Education in the schools curricula, Uganda Wildlife Education Centre (UWEC) has introduced an integrated curriculum-Conservation Education programme for secondary schools with the aim of enhancing the teaching carried out at secondary schools. The programme addresses some of the issues contained in both O-level and A-level syllabi but links UWEC activities with school conservation programmes and theoretical academic work covered in class. Selected bio artefacts are used to illustrate the key points.

56. The programme aims at raising the appreciation of sciences and conservation of biodiversity in students. It promotes a practical approach of teaching sciences and some arts subjects in secondary schools; stimulates interest and learning in students about biodiversity; promotes awareness and appreciation of sustainable management of biodiversity; and promotes utilization and appreciation of UWEC facilities by students/schools.

57. UWEC involved teachers in the development of the course. A modulation workshop held on 24th February, 2007 where twelve senior teachers were selected to spear head the implementation of this program. The selected teachers later held the preparatory planning meeting on 20th March, 2007 and finalized with the design of the program.

58. *Financial Performance:* The utilization of the component's financial resources was nearly optimal. As at June 30 2007, 90.06% (USD 3,443,200) of the budget (USD 3,760,000) for the component was utilized. Of this amount, USD 830,200 was spent on capital investment and USD 2,613,000 on recurrent expenditures (table iv).

Table iv: UWEC Project Budget Performance 31 march 07 (USD'000)

Item	Budgeted	March 2007	Balance Available
Capital Investment	879.2	830.2	49.0 (5.6%)
Recurrent Expenditure	2,920.8	2,613.0	307.8 (10.5%)
Total	3,800.0	3443.2	356.8(9.4%)

59. Sustainability: Since its inception in 1994, UWEC's operating costs were fully paid for through a \$3m grant of USAID from 1995 to 2001. During the same period, the World Bank committed US\$690,000 for institutional capacity building and construction purposes and the Government of Uganda provided it with an annual subvention amounting to US\$120,000. In 2002, UWEC embarked on the second phase development plan with a US\$3.8 million grant from the PAMSU project which lasted from 2002 to 2007.

Table v: UWEC Revenues and Expenditures

Revenues (UGX Mln) /FY	2 /03		3 /04		4 /05		5 /06		6 /07		Total	
	Mln	%	Mln	%	Mln	%	Mln	%	Mln	%	Mln	%
1. Internal - Gates	286	21	291	15	244	11	257	12	372	16	1,450	15
-Others	10	1	13	1	56	3	111	5	195	8	385	4
2. World Bank	606	46	1,522	81	1,668	75	1,336	60	1,312	56	6,444	65
3. USAID	0	0	0	0	0	0	0	0	0	0	0	0
4. GoU	429	32	59	3	268	12	509	23	444	19	1,709	17
Total Revenue	1,331	100	1,885	100	2,236	100	2,213	100	2,323	100	9,988	100
Expenditure												
Capital Expenditure	253	39	556	41	379	19	830	38	872	38	2,018	33
Recurrent Expenditure	395	61	813	59	1,574	81	1,343	62	972	62	4,125	67
Total Expenditure	648	100	1,369	100	1,953	100	2,173	100	1,844	100	6,143	100
Balance C/F	683		516		283		40		479		3,845	

60. An analysis of the financial statements of UWEC for the five years from 2002/03 to 2006/07 indicates that internal revenue constitutes only 15% of UWEC's total revenues which has predominantly (65%) been from World Bank financed sources. The internal revenue is not even enough to cover UWEC's staff expenses which take 54% of all recurrent expenses. It is also worth noting that recurrent expenditure is 67% of the total expenditures of UWEC and that recurrent expenditures (UGX 4,125 Million) are more than three times the internal revenues (UGX 1,319 Million). From the above analysis, it is clear that UWEC is not able to sustain its operations at the current levels and will have to redefine its sustainability strategies.

61. At the design of the PAMSU project, it was expected that, in addition to the internally generated revenue (mainly from visits) and donor funding, the UWEC would establish a USD 4 million Trust Fund. The purpose of the Trust Fund would be to generate revenues which would be used to supplement the Centre's budget in financing the operational costs of the organization. Unfortunately, this was not achieved and UWEC's efforts to generate revenues through fundraising from international and local donors and institutions domestic revenues from visitor gate collections and local investments are inadequate to cover its operational costs.

62. The Trust Deed defines the objectives of UWEC as: (i) to promote the conservation of renewable natural resources through education using the centre, its facilities and programs; both on site and through extension, (ii) to facilitate and encourage scientific study and research with respect to renewable resources, and (iii) to provide facilities for recreation and leisure. It may be useful for UWEC to rethink its strategic plan which would drive its sustainability strategies.

Cultural Heritage Component: The Department of Antiquities and Museums (DAM)

63. Background: The objective of this sub-component was to ensure that Cultural Heritage of Uganda is preserved. The Cultural heritage component of the project aimed to: (i) to divest the DAM from MTTI into a semi-autonomous Uganda Museums and Monuments Agency (UMMA) and (ii) to develop basic civil works necessary to preserve key tourism sites. The performance of DAM would be assessed by the establishment of the Uganda Museums and Monuments Agency (UMMA) as a semi-autonomous body to conserve and promote awareness of Uganda's cultural heritage. Indicators for monitoring the performance of this objective were:

- the identification and development in a sustainable way of two antiquarian sites outside of Kampala; and
- a steady increase in visitation numbers to the National Museum in Kampala from its early post renovation baseline.

64. Implementation: Before the implementation of PAMSU, DAM benefited from two support instruments (IDF and ICB-PAMSU). Both instruments had the same objective of divesting the DAM into a semi-autonomous agency of Government. Under this project, the component aimed to achieve this same objective. Unfortunately, no significant movement on this activity was achieved to date.

65. The development of the regional museums and trails did not achieve significant advances either. The development of the Fort Portal heritage Trail stopped only at its design stage and the development of the Kabale Cultural Centre stopped only with the survey of the land both could not be implemented because of lack of land titles within the project timeframe. The development of 20 other sites only saw the completion of survey work at two of the twenty sites.

66. However, the civil works activities involving renovations of the Museum building including repairs on the wall above the ethnographic store, replacement of the flat roof above the Natural History Gallery, replacement of the flat portion of the science and industry pavilion were completed. The improvement of the museum exhibits and galleries with electrical display fittings and procurement of office equipment and vehicle were completed during project implementation.

67. *Financial Performance:* As indicated in the summary below (see annex iv for details), key civil works activities relating to the development of regional museums and

trails were not undertaken and therefore over 30% of the budgeted financial resources were not utilised.

Table vi: DAM Expenditures ('000 USD)

Item	Budget	June 30, 2007	Balance Available
Expenditures	664.10	452.42	211.68(31.9%)

68. Sustainability: In 2001, Government carried out a business analysis for the proposed new UMMS. From this study (see table – below), it became clear that if divested, the DAM would need to find other ways of financing its expenditures as the internally generated revenues are much too small to finance even the recurrent expenditures. The financial analysis which covered only recurrent expenditures shows the deficit increasingly deteriorating over the years.

Table vii: Estimated Revenues and Expenditures ('000 UGX) for DAM

ITEM/YEAR	2001	2002	2003	2004	2005	Total
Total Expenditure	373	2,344	2,345	2,537	2,537	10,136
Total Own Revenue	214	320	675	974	1,403	3,586
Total Income Less Expenditure	-159	-2,024	-1,670	-1,563	-1,134	-6,550
% of Deficit to Own Revenue	42.6	635.6	247.4	160.5	808	182.7

69. Using the data on visitors and visitor fees provided by DAM, the analysis below shows that the revenue generated today from visitor fees is much smaller than what the above mentioned study envisaged five years ago.

Table viii: Visitors to DAM

Year	Pupils	Adu Ugandans	Its Foreigners	Total	Total Revenue**	Total Revenue***
2001	31,009	649	1,980	33,638	15,891,700	31,783,400
2002	31,800	531	1,480	33,811	14,511,000	29,022,000
2003	31,973	967	1,764	34,704	15,850,900	31,701,800
2004	32,007	830	2,005	34,842	16,447,100	32,894,200
2005	35,588	1,072	1,200	37,860	15,348,400	30,696,800
2006*	39,640	1,032	1640	42,312	17,844,00	35,688,000

* Estimated No of visitors

**At current gate fees of UGX 300, 1000, and 3,000 for pupils, Ugandan adults and foreigners respectively

*** When the rates are double the current rates

70. The DAM, in an effort to boost its internal revenues, carried out a feasibility study for and established a canteen and internet café at the new restaurant building. In the best scenarios given below, DAM would invest UGX 30 million and receive UGX12 million annually through rent from a tenant and invest UGX24 million and receive the cash flows in the order of UGX 30 million per year. However, the total revenue generated would still be too small to finance the operations of the DAM as an independent operating agency.

71. Sustainability: The discussion on the creation of an independent UMMA from DAM has been going since 1978. In order not to undermine the DAM and the beneficiaries who enjoy its services, it is important that a decision be made soon. In making such decision, account should be taken of the fact that the institution will not become financially viable immediately and that a significant capital investment in the development of the institution's infrastructure will need to be made.

72. The development of the upcountry museums and monuments, under the financing of the project, did not actualize. However if the services currently not provided by DAM are expected to be delivered in the future, it is clear that significant financial resources will have to be committed to the development of the required infrastructure and equipment for the upcountry sites.

73. The equipment and vehicles procured during project implementation will require financial resources to manage them and, as they approach obsolescence, further financial resources will be needed to replace them.

Project Coordination Component: Project Coordination Unit (PCU)

74. Background: The Project Coordination Unit (PCU) of the MTTI was responsible for coordination and oversight of ICB-PAMSU and for the preparation of PAMSU. Its responsibilities included donor liaison, program identification, procurement of goods and services and contract management. Under the PAMSU project, the PCU continued for two and a half years (until after the mid-term review) to play a supporting role to the Implementing Agencies which will took full responsibility for procurement and project implementation.

75. The project supported the financing of required TA, equipment and other operating costs for the PCU. Under the TA category, the project supported the positions of **Project Coordinator, Procurement Specialist** and **Project Accountant**. Support staff included two secretaries, five drivers, an accounts assistant, and an office attendant.

76. Implementation: Under the implementation arrangements for PAMSU separate special accounts for each implementing agency were established. UWA and UWEC managed their own special accounts from the inception of the project. The DAM and MTTI components were managed under special accounts for which the PCU was responsible for the first two and a half years.

77. On commencement of project implementation, the PCU was strengthened for the purpose of providing effective management and coordination of the project. Indicators of effective management were set for the PCU to recognize this important role. Accordingly, the PCU provided close support in the implementation of the project, frequently leading in work planning, procurement and disbursement processing. It carried out monitoring missions to support implementing agencies and submitted quarterly reports. The level of items returned by the TTL and complaints by IA was kept at a fairly low level.

78. After the mid-term review, the PCU moved from a model where it was responsible for disbursement and procurement of IDA/GEF funds to a support and capacity building role. The PCU team provided guidance and support to the implementing agencies, while the agencies were responsible for preparing the necessary documentation (i.e. terms of reference, requests for no objection, withdrawal applications, annual work plan submissions and any reporting requirements).

79. *Financial Performance:* As indicated in the summary below (see annex iv for details), the component completed all its activities and utilised more resources than was originally budgeted for it.

Table ix: PCU Expenditures ('000 USD)

Item	Budget	June 30, 2007	Balance Available
Expenditures	1,060.00	1,119.59	-59.59(-5.62%)

80. Sustainability: The PCU was wound up with effect from December 31, 2005, as was expected at project design and confirmed during the Mid-term Review. The assets hitherto managed and utilized by the PCU were transferred to MTTI. Any residual tasks of the project were transferred to the Ministry. Accordingly, the Policy Advisor was charged with the responsibility of coordinating the implementation of the remaining activities of the project.

81. The Policy Unit within the Ministry continued to provide policy advice and to coordinate the process of generating the enabling legislations for the Tourism and Wildlife policies. Other project and related activities were seamlessly integrated in to the relevant units of the ministry responsible for tourism policy and planning, classification, wildlife, statistics and logistics.

Annex 8. Comments of Cofinanciers and Other Partners/Stakeholders

[Forthcoming from GEF]

Annex 9. List of Supporting Documents

Aide-Memoires 1-20, 2002-2011 and accompanying PCRs/ISRs

Comments on PAMSU Preparation, Implementation and Impact—Moses Mupesa (former Exec. Director of UWA), November 3, 2011.

DCA—PAMSU between The Republic of Uganda and the International Development Association, September 16, 2002.

Implementation Completion Review of the PAMSU Project (MTTI, DAM, UWEC and PCU Components)

PAD for PAMSU, June 4, 2002

Protected Areas Management and Sustainable Use Project—IDA Credit No 36890-UG, Report on the Construction of Offices and Staff Houses Within Various Protected Areas

The Kanyeihamba Commission Report on MTTI-UWA—PAMSU Project, October 2011.

UGANDA



- DISTRICT CAPITALS
- ⊙ NATIONAL CAPITAL
- RIVERS
- MAIN ROADS
- RAILROADS
- DISTRICT BOUNDARIES
- INTERNATIONAL BOUNDARIES

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