



## MINISTRY OF ENERGY AND MINERAL DEVELOPMENT

CONSULTANCY SERVICES TO UNDERTAKE CAPACITY ASSESSMENT OF  
THE UGANDA ELECTRICITY TRANSMISSION COMPANY LIMITED (UETCL).  
PROC. REF. No. MEMD/CONS/2018-19/00832/GERP

## CAPACITY BUILDING SOLUTIONS REPORT

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## LIST OF ACRONYMS

AFD	:	Agence Française de Développement (French Development Agency)
Bn	:	Billion
BOD	:	Board of Directors
BSC	:	Balanced Score Card
Capex	:	Capital Expenditure
CBP	:	Corporate Business Plan
CBS	:	Capacity Building Solutions
CEO	:	Chief Executive Officer
CGV	:	Chief Government Valuer
EPC	:	Engineering Procurement Construction
ERP	:	Enterprise Resource Planning
ESIA	:	Environmental Social Impact Assessment
FPPM	:	Finance Policies and Procedures Manual
GERP	:	Grid Expansion and Reinforcement Project
GIS	:	Geographic Information system
GoU	:	Government of Uganda
ICT	:	Information Communication Technology
IFRS	:	International Financial Reporting Standards
IIA	:	Institute of Internal Auditors
KfW	:	Kreditanstalt für Wiederaufbau
KPI	:	Key Performance Indicator
KPIs	:	Key Performance Indicators
L&D	:	Learning and Development
MD	:	Managing Director
MDAs	:	Ministries Department and Agencies
MEMD	:	Ministry of Energy and Mineral Development
MFAS	:	Manager Finance, Accounts and Sales
MIA	:	Manager Internal Audit
MICT	:	Manager Information and Communications Technology
MoJCA	:	Ministry of Justice and Constitutional Affairs
MoFPED	:	Ministry of Finance, Planning and Economic Development
MLHUD	:	Ministry of Lands, Housing and Urban Development
Mn	:	Million
MPD	:	Manager Procurement and Disposal Unit
MP&I	:	Manager Planning and Investment
MPI	:	Manager Project Implementation
NCA	:	Non-Current Asset
NDP	:	National Development Plan
NPV	:	Net Present Value
PAPs	:	Project Affected Persons
PMI	:	Project Management Institute
PMS	:	Performance Management System
PPDA	:	Public Procurement and Disposal of Public Assets Authority
RAP	:	Resettlement Action Plan
SCADA	:	Supervisory Control and Data Acquisition
ToR	:	Terms of Reference
TSO	:	Transmission Systems Operator
UEB	:	Uganda Electricity Board
UEGCL	:	Uganda Electricity Distribution Company Limited
UETCL	:	Uganda Electricity Transmission Company Limited
UGX	:	Uganda Shillings
UNCTAD	:	United Nations Conference on Trade and Development
UNRA	:	Uganda National Roads Authority
WIS	:	Way leaves information system

## EXECUTIVE SUMMARY

Ministry of Energy and Mineral Development (hereinafter called “the Client”, “the Ministry”, “MEMD”) commissioned Empower Consult (hereinafter called “the Consultant”) to undertake Capacity Assessment of Uganda Electricity Transmission Company Limited (UETCL) under contract REF. No. MEMD/CONS/2018-19/00832/GERP.

This Capacity Building Solutions (“CBS”) Report is one of the deliverables agreed upon in the contract and follows the delivery of the Capacity Assessment Report.

This CBS Report has been developed following the Capacity Assessment of UETCL. The assessment was presented to key stakeholders at a workshop on 6<sup>th</sup> November 2020 via Zoom (*in observance of the Government of Uganda Covid19 regulations*). The purpose of the Capacity Assessment is to support the Ministry to carry out an assessment of the institutional capacity of UETCL to deliver its mandate.

To achieve a comprehensive capacity assessment of UETCL, the Consultant deployed a multi-levelled approach and methodology including a documents review, stakeholder engagements and detailed review procedures. We used both qualitative and quantitative techniques employing both Focus Group Discussions (FDG) and Key Informant Interviews (KII) with 17 institutions and 84 individuals.

In terms of framework of assessment, the consultant adapted the UNDP Capacity Assessment Framework basing on three dimensions across six functional capacity areas. The dimensions considered were: i) Points of Entry ii) Critical issues iii) Functional and Technical capacities.

Our main findings from the capacity assessment are summarised in Section 1.6 and point to improvements required in the Enabling Environment, Organisational set up, Institutional set up, Leadership, Knowledge and Accountability. These capacity assessment finding have been summarised into 15 capacity building gaps below.

- i) Government policy changes on the conditions precedent for project implementation
- ii) Inefficient wayleaves process
- iii) KPI are not linked to strategy
- iv) Weak business wide accountability mechanisms
- v) Lack of enabling laws for land acquisition
- vi) Inadequate financial resources to implement strategy
- vii) Low levels of technology enablement
- viii) Negative organization culture
- ix) Overregulation
- x) Poor human resource practices
- xi) Sector ministry oversight
- xii) TSO role not fully executed
- xiii) Weak financial management practices
- xiv) Weak leadership structures
- xv) Weak procurement practices

The recommendations below form the key recommendations.

- i) Board meetings should be reduced to allow Management time to implement the CBP. 6 Full Board meetings and 5 committee meetings per committee would put UETCL in line with good corporate practice. Linked to this, there is a need to adjust the approval levels to engage the BOD on strategic procurement (above UGX 10bn) and instead focus the Board on approval of the annual operating budget.
- ii) Wayleaves acquisition can be made timelier and more cost effective through enhancing inhouse capacity for wayleaves acquisition and a specific department for RAP implementation.
- iii) There is need for an improve the reward and recognition framework. This can be achieved by developing and linking departmental and individual KPIs with Company strategic goals. The company then needs to develop a Compensation and Rewards Policy for the business and link all Rewards and Recognitions approaches (R&Rs) to staff performance management system.
- iv) To address the low levels of technology enablement, there is an urgent need to automate business processes across the Company through the implementation of a modern ERP. Just as urgent is the need to improve UETCL grid infrastructure management through the upgrade of SCADA System and Integrating GIS with SCADA.
- v) The Company continues to have two significant nonvalue adding costs. These are bad debt provisions (18% of opex) and deemed energy charges (14% of opex). As such, the Company needs to review options to remove liability for deemed energy charges and bad debts provisions related to MDAs from UETCL.

This CBS Report has been designed with an implementation framework with clear and concise timelines (spanning a period of 4 years). The schedule of actions has been informed by the level of need, logical sequence on how urgent they are needed to ensure that the strategic gaps in the UETCL are fixed.

Regarding financing of the CBS, the implementation and roll out of the CBS will need to follow an accelerated financial plan and resource mobilization strategy that will be able to implement the solutions and ultimately improve mandate execution within UETCL. Engagement is therefore needed at the national government line Ministries, Donors, and the private sector. The financial plan to support the CBS is guided by the business objectives of the Company. The specific costing was done on the actions. The purpose was to ensure that a given Ugandan shilling is tagged and attached to ensure an output is achieved from a proposed action. The total budget for 4 years to fund all the proposed actions totals to UGX 51.355 billion with the bulk of the funding for implementation of an ERP and SCADA upgrade.

The CBS also includes a monitoring and evaluation plan enlisting all the activities to be conducted under three core capacity areas and a costed budget. The impetus for inclusion of Monitoring and Evaluation (M&E) Framework for Capacity Building Solutions is based

on several factors, with the aim of improving quality, performance, and learning across the electricity supply industry.

To ensure a common understanding of what best M&E results will look like throughout the CBS implementation, a thematic simple but robust M&E framework has been put in place with associated core and thematic indicators. This will only be operative if UETCL:

- i) improves data collection and analysis to better understand and measure the results and quickly come up with actions on how this can be improved basing on the accepted goal targets;
- ii) ensures M&E activities throughout the CBS are in line with the UETCL mandate; and
- iii) becomes accountable to internal and external stakeholders through more effective and participatory M&E, and reporting.

## 1.0 INTRODUCTION

### 1.1 Background and Context to the Assignment

Uganda Electricity Transmission Company Limited (UETCL) was incorporated in 2001 as a Limited Liability Company under the Companies Act as amended and the Public Enterprise Reform and Divestiture Act as one of the successor companies established by the Electricity Act, 1999 that unbundled vertically integrated Uganda Electricity Board (UEB) into UEGCL, UETCL and UEDCL. It operates under the policy guidance of the Ministry of Energy and Mineral Development and the Regulatory oversight of the Electricity Regulatory Authority.

UETCL is wholly owned by the Government of Uganda with two equal shareholders the Minister of: (i) Finance, Planning and Economic Development and (ii) State for Finance in charge of Privatisation. Its operational mandate is derived from several laws majorly the Electricity Act Cap 145 and the Uganda Communications Act Cap 106.

UETCL's mandate is derived from the following annual licences:

- License for systems operator.
- License for operation of high voltage transmission grid.
- License for power export and import.
- License for bulk power supply.

The mandate is categorised into two business areas:

- Single Buyer:** UETCL is authorised to negotiate all agreements related to the sale, purchase, import and export of electricity. The Company has long running contracts with several electricity generators and distribution companies in the country. The Company also exports and imports power from the major electricity utility companies in the region with which it has signed power sales and power exchange agreements
- Transmission Systems Operator (TSO):** Involves the conducting of system operations including the dispatch and control of the operation of generation plants and other facilities necessary for system stability, security, reliability, safety, and efficient operations. The TSO business further involves the operation of the high voltage transmission grid above 33 kV.

Additionally, UETCL also holds a license as a public infrastructure provider for its optic fibre business.

UETCL has been at the forefront of development of infrastructure projects to ensure the Transmission Grid is robust to evacuate power from existing, new, and planned generation plants and between interconnected neighbouring countries. The development is being informed by the National Development Plan and the institution's Corporate Business Plan with the bulk of funding from development agencies and partners. In addition, UETCL has also been fulfilling its mandate with respect to Transmission and System Operations as the Single Buyer. This includes coordination of power imports/exports as part of the national and regional energy management responsibilities.



UETCL is the sole transmission Company in Uganda. The context in which UETCL is operating has shifted significantly from its inception in 2000 and commencement of operations in 2001 to date. Key parameters in these areas of oversight have shifted materially affecting the scope, breadth, and complexity of the task it is mandated to deliver.

A select sample of these critical parameters were analysed to expose the shift in UETCL's context over the last 20 years. These include:

- Electricity Customer Base: Electricity connected customers have grown from 185,000 in 2000 to 1.6mn in 2018. The global electrification rate has shifted from 7.8% in 2000 to 19% in 2017.
- Generation growth: From 3 generating entities in 2000 with a capacity of 395MW to 34 grid connected generators with a capacity to produce 1,246MW in 2019.
- Sales versus Purchases: Energy Purchases and Sales grew at an average rate of 8% over the period 2007 -2019.
- Transmission Route Length: Between the period 2012 – 2019, 1,720kms of 132, 220 and 400kV transmission lines were added.

## 1.2 Justification for UETCL Capacity Assessment

The purpose of UETCL's existence is to deliver stakeholder expectations. These are enumerated in its mandate articulated in Section 2.1. above. UETCL is currently experiencing challenges that impede effective execution of its mandate. These challenges have necessitated the Ministry of Energy and Mineral Development (MEMD) to commission a consultancy for Institutional Capacity Assessment of UETCL aimed at identifying the root causes, diverging capacity gaps, and converging on priority capacity building solutions.

## 1.3 Assignment Objectives

The overall objective of the assignment as stipulated in the Terms of Reference (ToR) was to assess the institutional capacity of UETCL in delivering its core mandate with focus of the Company's ability to undertake capital projects.

The specific objectives were to:

- i) Undertake a review of the structure, human resource, business processes and systems of UETCL and determine their effectiveness in supporting UETCL in implementation of its mandate and strategic plans.
- ii) Identify key bottlenecks to effective implementation of UETCL's mandate and strategic plans that include, among others, projects implementation and contract management practices.
- iii) Prescribe practical and cost-effective strategies for enhancement of UETCL's capacity in delivering her mandate.

## 1.4 Assignment Scope and Focus

Consistent with the ToR for UETCL Capacity Assessment, the scope and focus of the assignment was to:

- i) Review of all relevant documents in line with the outlined specific objectives above.
- ii) Conduct initial interviews with key stakeholders within the Company and outside.
- iii) Interact with stakeholders including Project Affected Persons to inform UETCL the strength and gaps in wayleave acquisition and Resettlement Action Plans.
- iv) Facilitate stakeholders' workshop in developing the institution capacity assessment plan; and
- v) Using the resultant information, work with UETCL team to develop an Institution Capacity Building Plan.

## 1.5 Approach and Methodology for the Assignment

### **Approach**

This assessment adopted the UNDP Capacity Assessment Framework that defines Capacity Assessment as an analysis of desired capacities against existing capacities, which generates an understanding of capacity assets and needs that can serve as input for formulating a capacity development response that addresses those capacities that could be strengthened and optimizes existing capacities that are already strong and well founded.

In line with this Framework, this assessment covered key dimensions for the capacity assessment and built upon three building blocks:

- a) Points of entry (Enabling environment and Organizational set up).
- b) Core issues (Institutional arrangements, Leadership, Knowledge, Accountability); and
- c) Functional and technical capacities.

### **Methodology**

To undertake a comprehensive assessment of UETCL, a multi-level approach and methodology was deployed. This involved documents review, stakeholder engagements and interviews.

### ***Document review***

The general approach in assessing UETCL capacity included review of defining documents that elaborate the purpose, mandate and plans for the Sector and the Company, like the NDP, the institutional arrangements and set up in the energy policy, energy supply strategy, electrification strategy, relevant laws, policies, reports, and plans concerning the Board, Senior Management and Individual level activity, Wayleaves acquisition process, Land use policy, and the UETCL Corporate Business Plan and other supporting investment and operational plans.

The Consultant also conducted an analysis of reports received to help determine performance against targets within UETCL and assessment of the selected previous projects undertaken.

The list of documents reviewed is contained in **Annex 2**. This is cross cutting across the assessment areas.

### ***Stakeholder interviews and team engagements***

The document review has been enriched with interviews and discussions to clarify and triangulate the linkages to create a coherent picture.

Interviews were conducted with internal and external stakeholders both as individuals and representing institutions all in a participatory manner.

The list of consulted stakeholders is contained in **Annex 2**.

## **1.6 Key Findings from Capacity Assessment**

### **1.6.1 Points of Entry**

#### ***Enabling Environment***

The legal framework, regulation, policies, and procedures of UETCL do not enable efficient delivery of its mandate in the changing circumstances as seen in the current proposed amendments to the Electricity Act, Land Acquisition Bill, Energy Sector Policy and other reforms.

Uganda Vision 2040 sets a desire to transform Uganda into a modern prosperous country within 30 years through strengthening the country's competitiveness for sustainable wealth creation, employment, and inclusive growth. Whereas GoU has committed substantial investments in the energy Sector and created generation-demand surplus, the electricity tariff is viewed by many as prohibitive. UETCL as a result is not charging a cost-reflective tariff and is sandwiched between private independent power producers and distributors who re-coup their investments from the tariff. The political will to transform the economy through industrialization is currently sustained by GoU through concessionary loans and grants. The planned East African Power Pool and regional power exchange and trade is also dependent on political and economic cooperation in the region. It offers an opportunity to export power but requires preparation for UETCL to wheel power on its transmission grid.

#### ***Organisational set up***

UETCL's organizational setup needs to be reformed to cater for the changing strategic needs of the Company. There is need for structural and cultural reforms in UETCL to realign it from a functional structure to one that will enable delivery of the mandate. For example, given the number of projects being undertaken there is need to strengthen projects implementation from feasibility to commissioning. The Company has initiated some structural changes but in our opinion is not far-reaching and will not achieve the desired goal.

## **1.6.2 Core Issues**

### ***Institutional set up***

UETCL has documented frameworks, policies, procedures for Governance, Finance, Risk, HR business processes but those for capital projects, procurement, planning, operations and maintenance functions are not well known or established. The Capital Projects Governance framework and Projects Manual has not been elaborated adequately to guide project management and there is need to put in place a streamlined procurement process in form of a manual.

### ***Leadership***

The organization has a clearly written strategic plan in line with the vision and mission statements which guides work but is reviewed every after 5 yrs. The plan was developed in a participatory manner, in consultation with Board members and staff at various levels. The strategic plan guides many programs and actions, but some actions are done outside of this framework. We also noted significant delays in the strategic plan approval process.

The Board is comprised of members with diverse knowledge and experience in finance, tax, engineering, legal and labour matters but non with Private Sector background and there is one lady on the Board. The Board is fully functional with clear terms of reference and meets regularly with meetings conducted as per order of business and properly recorded. They approve the annual budget and workplan and review performance of the Company on quarterly basis and provide direction and support to the organization. There is no record seen to show that the Board has been evaluating its own performance and its composition has not changed over the period under review.

### ***Knowledge***

The consultant has observed some structured formal mechanisms for internal knowledge exchange such as trainings, factory visits, project meetings, workshops, presentations etc. Teams do not set aside time to regularly meet and share knowledge and there is no central repository and system to capture, document and disseminate knowledge for organizational learning. This can be in the form of shared folders, library, and publication outlets such as print or electronic, workshops, seminars.

### ***Accountability***

UETCL has established mechanisms for accountability that are strong at the top level where the reporting needs and frequency are well known and followed but this weakens at the level below managers. Culture of mutual accountability at all levels needs to be nurtured through policy reforms and dissemination.

Externally, stakeholders like Umeme are satisfied with the level of transparency in billing and planning network development but expressed concern about sharing of information on system operations. A similar concern about information sharing on system outages was raised by Eskom Uganda.

Accountability to the public is considered not a necessity as even the rampant occurrences of vandalism are not publicized. UETCL is not taking advantage of the IT

revolution such as the use of social media and apps to disseminate information to the public, PAPs etc.

## 1.7 Report Structure

The Capacity Building Solutions (CBS) Report was compiled based on the consultant's knowledge of the electricity sub power Sector and the thematic areas, using the results of the assessment, processing of the information collected during the stakeholder engagement and document reviews, guidance received at Inception Report stage and further guidance from the presentation of the Capacity Assessment Report.

This Report is organized in 5 sections:

- Executive Summary.
- Section 1 presents the Introduction to the Assignment.
- Section 2 presents the UETCL Capacity Building Solutions along the four core capacity areas of institutional setup, leadership, knowledge and accountability. This are developed across the thematic areas of the review.
- Section 3 presents the Capacity Building Solutions Implementation and Costing.
- Section 4 presents the Capacity Building Solutions Monitoring and Evaluation Framework.

The Annexes to the Report include the following documents.

- Annex 1: Recommendations from the Capacity Assessment
- Annex 2: List of consulted Stakeholders/Respondents
- Annex 3: List of References
- Annex 4: Data collection tools used for the Assessment

## 2.0 UETCL CAPACITY BUILDING SOLUTIONS

This section details the UETCL Capacity Building Solutions. Section 3.1 indicates the UETCL strategic direction Section 3.2 presents the guiding principles, Section 3.3 presents goals and strategic objectives, Section 3.4 presents strategies for UETCL CBS and 3.5 presents strategic actions for UETCL.

### 2.1 UETCL Strategic Direction

In answering the “capacity for why” question, it is important to understand the statements below.

UETCL is the epicentre of the Energy Supply Industry (ESI) in Uganda with the ESI at the epicentre of economic development in the country.

UETCL mandate is well enumerated in Section 2.1 but the strategic importance of this mandate cannot be over emphasised. UETCL has been and remains at the forefront of development of infrastructure projects to ensure the transmission grid is robust to evacuate power from existing, new and planned generation plants and between interconnected neighbouring countries. The development is being informed by the National Development Plan and the institution’s Corporate Business Plan with the bulk of funding from development agencies and partners.

Recognising this crucial role, the Company’s strategic direction has aimed at building robust institutional capacities. This is set to be achieved through focusing on the five pillars below:

- i) Security of power supply and regional cooperation.
- ii) Accelerated grid infrastructure development and stimulation of demand.
- iii) Financial sustainability.
- iv) Robust human capital development.
- v) Efficient business processes and systems.

The five pillars have a total of 19 KPIs set and the Balance Score Card (BSC) model has been maintained as main implementation framework to gauge the degree of achievement of the company goals and targets against set KPI metrics. This understanding clarifies the “capacity for what” question.

The Capacity Building Solutions in the following report aim to reinforce these pillars by indicating interventions required to focus the Company further on its mandate.

It will be noted through the next sections of the report that the Capacity Building Solutions cover the Enabling Environment and the Organizational Level and the key points of entry for embedding the solutions.

### 2.2 Organisation of the Capacity Building Solutions

In order to identify the key capacity areas, it is important for us to first understand the key gaps as far as UETCL mandate execution is concerned. These have been provided by the Capacity Assessment Report.

The capacity building solutions provided in this report aim to build and reinforce the existing systems, processes and people at UETCL while documenting the changes needed to the internal and external environments of the Company.

The response combines the four core issues as to make the response more effective.

Further each of these responses are broken into short (0-12 Months), medium (13-24 Months) and long (25-48 Months) term implementation period.

Indicators have also been set to monitor progress in implementation.

The cost of a capacity building has also been estimated but we believe that the BOD and Management should take these costs only as indicate and take steps to revise them and integrate them into the wider budgeting frameworks of the Company.

The solutions focus on the highest impact, but the full set of recommendations is in **Annex 1**.

## 2.3 From Capacity Assessment to Capacity Building

The several capacity development findings have been summarised into 15 capacity building gaps below.

- i) Government policy changes on the conditions precedent for project implementation
- ii) Inefficient wayleaves process
- iii) KPIs are not linked to strategy
- iv) Weak business wide accountability mechanisms
- v) Lack of enabling laws for land acquisition
- vi) Inadequate financial resources to implement strategy
- vii) Low levels of technology enablement
- viii) Negative organization culture
- ix) Overregulation
- x) Poor human resource practices
- xi) Sector ministry oversight
- xii) TSO role not fully executed
- xiii) Weak financial management practices
- xiv) Weak leadership structures
- xv) Weak procurement practices

In Table 1, below we indicate how these solutions have been derived from the capacity assessment areas and gaps.

The capacity building solutions have been further aligned to the UETCL strategy but assessing where the gap has the largest impact. Cross cutting gaps have been marked with an asterisk (\*).

Strategic Objective	Gap	Capacity Assessment Findings Driving the Gap	Linkage to Capacity Assessment Report	
1.Security of power supply and regional cooperation	Sector ministry oversight	MEMD is not a shareholder of UETCL and has little say in appointment of Board and management of UETCL	Section 2.3.1 Table 2.4 (a)	
	Overregulation*	Clarification of roles and responsibilities of the Regulator, the Policy holder, and the Board	Section 2.3.1 Table 2.4 (a)	
	KPIs are not linked to strategy	There is no link between customer expectations and corporate goals	Section 2.3.2 Table 2.6 (e)	
	TSO role not fully executed		Addition of new generation plants needs to be mitigated to avoid worsening financial burden on UETCL	Section 2.3.4 Table 2.8 (b)
			Planning function to include assessment of resources required for the project	Section 2.3.4 Table 2.8 (b)
			The assumptions in load forecasts and particularly assumptions of growth in demand are overstated.	Section 2.3.4 Table 2.8 (b)
			A Sector-wide planning/working group is lacking.	Section 2.3.4 Table 2.8 (b)
	Weak leadership structures		A BOD skills gaps analysis has not been conducted	Section 2.3.1 Table 2.4 (h)
			Annual BOD member self and competency evaluations are not done.	Section 2.3.1 Table 2.4 (d)
			BOD membership is not rotated	Section 2.3.1 Table 2.4 (f)
			The BOD charter is not up to date	Section 2.3.1 Table 2.4 (d)
			There is a need to clarify BOD member tenure, tenure extension/renewal and allowable number of terms	Section 2.3.1 Table 2.4 (f)
			UETCL consider revising current membership upwards to nine members for effective delivery of BOD business	Section 2.3.1 Table 2.4 (h)
UETCL does not hold AGMs regularly			Section 2.3.1 Table 2.4 (d)	
UETCL is lacking a nomination committee			Section 2.3.1 Table 2.4 (d)	
UETCL needs to develop and adopt a standard nomination / selection process for BOD members			Section 2.3.1 Table 2.4 (d)	
With a total of 55 Board and Committee meetings in a year, Management could be spending more time preparing for and addressing issues from Board and Committee meetings as opposed to implementing the CBP. The frequent meetings could also change the Board agenda from being strategic to operational.			Section 2.3.1 Table 2.4 (z)	
2.Accelerated grid infrastructure development and stimulation of demand	Inefficient wayleaves process	There are significant delays, misinformation and poor delivery by consultants engaged in survey, valuation, and titling process.	Section 2.3.5 Table 2.9 (a)	
		The use of RAP consultants could be more expensive and less efficient. Organizations such as UNRA have reported significant savings from insourcing the RAP process.	2.3.5.2 The Titling Process	
		Weak contract management and monitoring and evaluation frameworks around RAP consultants.	2.3.5.2 The Titling Process	



Strategic Objective	Gap	Capacity Assessment Findings Driving the Gap	Linkage to Capacity Assessment Report
	Weak business wide accountability mechanisms	RAP business processes of a Company is guided by public service rules which slows RAP and project execution	Section 2.3.5 Table 2.9 (a)
3.Financial sustainability	KPIs are not linked to strategy	The KPIs are mainly lagging (outcomes).	Section 2.3.2 Table 2.5 (b)
		There is misalignment between the goals set by the shareholder and those set by the BOD.	Section 2.3.2 Table 2.5 (b)
	Weak business wide accountability mechanisms	The annual audit plan is regularly changed based on the need for special investigations–which whereas important may not have the same impact as the severe risks that would be contained on the risk register.	Section 2.3.6 Table 2.10 (g)
		The CBP is not costed and therefore it is unclear how resources are being allocated to the most important areas for the Company.	Section 2.3.2 Table 2.5 (b)
		The Company does not have an updated and current Enterprise Risk Register which calls into question whether its following risk based internal audit.	Section 2.3.6 Table 2.10 (g)
		The Company has long standing issues from both the internal and external audit reports. Delay or failure to implement agreed actions arising from audit findings expose the organisation to risk.	Section 2.3.6 Table 2.10 (g)
		The planning period for the CBP (2019 – 2023) is not aligned with the NDP (2020 – 2024).	Section 2.3.2 Table 2.5 (b)
		There is need to enhance finance business partnership with a focus on such areas as O&M, ICT, Human Resources and Corporate Services.	Section 2.3.6 Table 2.10 (f)
		There is no timeline set and followed in the preparation and approval of the CBP.	Section 2.3.2 Table 2.5 (b)
		Low levels of technology enablement	The efficiency could be greatly impacted by technology enabled process flow and B2B solutions.
	Weak financial management practices	The Company continues to have two significant nonvalue adding costs (costs that do not contribute or erode shareholder value). These are bad debt provisions (18% of opex) and deemed energy charges (14% of opex).	Section 2.3.6.1 Table 2.10 (a)
		Increasing debt burden - Gearing ratios have been growing significantly and remain above the internal thresholds of 50%.	Section 2.3.6 Table 2.10 (b)
		No annual report has been published since December 2015.	Section 2.3.6 Table 2.10 (f)
		Project financial management could be enhanced by advanced project planning.	Section 2.3.6 Table 2.10 (i)
		Revenue generation (Sales / NCA) capacity of the NCA has been falling over the years from 94% in 2014 to 43% in 2018.	Section 2.3.6 Table 2.10 (b)
Since the FPPM was approved seven years ago and changes to the operating environment have not been fully incorporated into the FPPM		Section 2.3.6 Table 2.10 (d)	

Strategic Objective	Gap	Capacity Assessment Findings Driving the Gap	Linkage to Capacity Assessment Report
		The budgets are missing material assumptions around bad debts and currency risk.	Section 2.3.6 Table 2.10 (e)
		The effective cost of borrowing does not feature in Management and BOD reporting.	Section 2.3.6 Table 2.10 (l)
		The issue of escalating project costs has been highlighted by External Audit.	Section 2.3.6 Table 2.10 (i)
		There is indirect alignment between the annual and multiyear budget and the strategic focus areas.	Section 2.3.6 Table 2.10 (e)
	Weak procurement practices	The low thresholds for procurement approval (UGX 300mn) make the BOD operational.	Section 2.3.6 Table 2.10 (j)
		PDU involvement in project delivery is more of a service provider as opposed to a strategic partner.	Section 2.3.6 Table 2.10 (i)
		Procurement and RAP guidelines included in the development partner support agreements are not adequately reviewed before the borrowing decisions.	Section 2.3.6 Table 2.10 (l)
		The Company has no Procurement Manual in place – but development is underway.	Section 2.3.6 Table 2.10 (j)
		There is a need to enhance the quality of EPC contractors and consultants as some have caused financial loss to the Company.	Section 2.3.6 Table 2.10 (i)
4. Robust human capital development	KPIs are not linked to strategy	Learning and development is not aligned to the business strategy	Section 2.3.3 Table 2.7 (i)
		Strategy development is not aligned to the performance management system	Section 2.3.3 Table 2.7 (f)
		The organisational goals and KPIs are not clearly linked to the reward – leading to unclear incentive for the BOD, Management and Employees to achieve and exceed the set goals.	Section 2.3.2 Table 2.5 (b)
	Weak business wide accountability mechanisms	Employee reward mechanisms (3Rs-Recruitment, Retentions and Rewards) are not well developed	Section 2.3.3 Table 2.7 (f)
		HR structural alignment to the business need is lacking	Section 2.3.3 Table 2.7 (h)
	Negative organization culture	UETCL exhibits clan and hierarchical cultures.	Section 2.3.3 Table 2.7 (f)
		The succession planning policy across the organisation is lacking.	Section 2.3.3 Table 2.7 (i)
		UETCL has no talent management strategy	Section 2.3.3 Table 2.7 (i)
	Poor human resource practices	Benchmark parameters indicate the UETCL is overstaffed	Section 2.3.2 Table 2.6 (k)
		Engineering Section (in Project Implementation) relies on technical expertise of consultants or user departments	Section 2.3.4 Table 2.8 (d)
		Human resource capacity for capital project management is lacking	Section 2.3.4 Table 2.8 (d)
		The MD/CEO has a wide span of control with 10 direct reports	Section 2.3.2 Table 2.7 (c)

Strategic Objective	Gap	Capacity Assessment Findings Driving the Gap	Linkage to Capacity Assessment Report	
		Recruitment for key positions that have been vacant for some time especially those at Management levels	Section 2.3.2 Table 2.7 (c)	
		UETCL needs to refine the quality of its people -quality at the gate and skills review	Section 2.3.2 Table 2.7 (c)	
		The exit management process does not pick adequate information on the causes of voluntary exit	Section 2.3.2 Table 2.7 (f)	
	TSO role not fully executed	In-house capacity to execute preliminary designs, feasibility studies and ESIA/RAP studies	Section 2.3.4 Table 2.8 (d)	
5.Efficient business processes and systems	Inefficient wayleaves process	RAP implementation requires expertise in valuation and legal affairs to meet current challenges	Section 2.3.4 Table 2.8 (d)	
	Weak business wide accountability mechanisms	Monthly period close and reporting is not adhered to as stipulated in the FPPM.	Section 2.3.6 Table 2.10 (f)	
		The project governance has not been implemented at all levels of the Company.	Section 2.3.4 Table 2.8 (a)	
		There is mis-alignment of the current organogram with UETCL mandate	Section 2.3.2 Table 2.6 (k)	
	Low levels of technology enablement		A company-wide project information system and management tools is lacking.	Section 2.3.4 Table 2.8 (a)
			Budget execution and monitoring follow both automated checks and approval on physical forms - which is both inefficient and introduces significant paperwork.	Section 2.3.6 Table 2.10 (e)
			Budget preparation is done primarily with BIS which is not seamlessly integrated with the ERP.	Section 2.3.6 Table 2.10 (e)
			Financial reports are prepared using MS Excel.	Section 2.3.6 Table 2.10 (f)
			ICT infrastructure to support electronic document system and decentralization	Section 2.3.4 Table 2.11 (d)
			The computing infrastructure including servers, storage, and backup systems in the Data Centre are aged and unable to support the new Business and ICT Strategy.	Section 2.3.7 Table 2.11 (d)
			The current free helpdesk system is not archiving much in terms of functionality and use there is an urgent need for an enterprise level help desk system to support UETCL enterprise IT operations.	Section 2.3.7 Table 2.11 (d)
			The existing Core network cabling and infrastructure is aged, does not meet current computing standards, and needs a revamp. For effective network performance improvement should be extended to Substations and the Power Control Centre. Wireless networks help to relieve cabling efforts and reduce point of failures.	Section 2.3.7 Table 2.11 (d)
			The ICT strategy alone might not deliver digital transformation across the business. There is need of creating synergies for larger digital footprint. Opportunities to implement advanced technologies such as predictive analytics, internet of things (IoT), and artificial intelligence (AI) should be prioritized as such	Section 2.3.7 Table 2.11 (b)

Strategic Objective	Gap	Capacity Assessment Findings Driving the Gap	Linkage to Capacity Assessment Report
		technologies are key ingredients for projects in the ICT Strategy 2019/20 - 2023/24 such as automated meter reading system.	
		There are many unintegrated systems. The implementation of an ERP system presents opportunity to integrate standalone ICT systems. Tier 1 ERP systems include several enterprise business applications.	Section 2.3.7 Table 2.11 (d)
		There is contention regarding ERP system hosting with UETCL preferring own data Centre and NITA recommending their data centre	Section 2.3.7 Table 2.11 (e)
		There is urgent need to upgrade the business continuity infrastructure to perform physical and virtual environment backup and recovery	Section 2.3.7 Table 2.11 (e)
		UETCL grid infrastructure is fast growing in expanse and complexity but operating on an old system that was provided around 2003. The SCADA system has reached its limit in terms of capacity, has no back-up National Control Centre (NCC) with old ICT infrastructure that has reached its end of life.	Section 2.3.7 Table 2.11 (d)
		WIS users are faced with PAPS document storage and search challenges. There is need to integrate WIS with DMS system for advanced document workflow management and approvals, strong search capabilities, tracking, and notification functions	Section 2.3.7 Table 2.11 (d)
	Poor human resource practices	ICT operations are too dependent on external support and solutions limiting opportunity for creating synergies for delivery of custom solutions development to scale the digitization landscape at UETCL	Section 2.3.7 Table 2.11 (b)
		Office space and equipment needs to be upgraded to meet the changing needs	Section 2.3.4 Table 2.8 (f)
		Resources in Monitoring & Evaluation Section needs to be matched to workload.	Section 2.3.4 Table 2.8 (d)
		The social aspects function has one senior officer overseeing over 100 staff creating a bottleneck and lack of effective supervision	Section 2.3.4 Table 2.8 (d)
		The structure of the Planning & Investments department has bottlenecks in surveying, planning, standards, and specifications	Section 2.3.4 Table 2.8 (f)
	TSO role not fully executed	The company lacks an updated centralised definitive technical standards and specifications.	Section 2.3.4 Table 2.8 (f)
		UETCL lacks a process and method of verifying load estimates obtained from Umeme and industrialists	Section 2.3.4 Table 2.8 (f)
	Weak leadership structures	The ERP project is still in planning phase with key document including Functional, Technical and Hardware Requirements determined, business processes mapped, feasibility study completed, and ERP advisory consultant sought. It is time to kick start change management efforts, appoint a project Steering Committee, Project Manager, and project team.	Section 2.3.7 Table 2.11 (e)

Strategic Objective	Gap	Capacity Assessment Findings Driving the Gap	Linkage to Capacity Assessment Report
		UETCL needs to engage ICT leadership in strategic business decision making including assigning business objectives to ICT leadership team to ensure equal stake in business goals delivery	Section 2.3.7 Table 2.11 (b)
	Weak procurement practices	The procurement process is largely manual. The efficiency could be greatly impacted by technology enabled process flow and B2B solutions.	Section 2.3.6 Table 2.10 (j)
		The Company needs to expedite the ongoing development of a Procurement Manual. In developing this manual	Section 2.3.6 Table 2.10 (j)

**Table 1:** Linkage of Capacity Assessment Findings to Capacity Building Gap

## 2.4 Key recommendations

The recommendations below form the key recommendations. These are built upon in the sections that follow and have been marked with a double asterisk (\*\*) to ease identification.

- i) Board meetings should be reduced to allow Management time to implement the CBP. 6 Full Board meetings and 5 committee meetings per committee would put UETCL in line with good corporate practice. Linked to this, there is a need to adjust the approval levels to engage the BOD on strategic procurement (above UGX 10bn) and instead focus the Board on approval of the annual operating budget.
- ii) Wayleaves acquisition can be made timelier and more cost effective through enhancing inhouse capacity for wayleaves acquisition and a specific department for RAP implementation.
- iii) There is need for an improve the reward and recognition framework. This can be achieved by developing and linking departmental and individual KPIs with Company strategic goals. The company then needs to develop a Compensation and Rewards Policy for the business and link all Rewards and Recognitions approaches (R&Rs) to staff performance management system.
- iv) To address the low levels of technology enablement, there is an urgent need to automate business processes across the Company through the implementation of a modern ERP. Just as urgent is the need to improve UETCL grid infrastructure management through the upgrade of SCADA System and Integrating GIS with SCADA.
- v) The Company continues to have two significant nonvalue adding costs. These are bad debt provisions (18% of opex) and deemed energy charges (14% of opex). As such, the Company needs to review options to remove liability for deemed energy charges and bad debts provisions related to MDAs from UETCL.

## 2.5 Capacity Building Solutions at Enabling Environment Level

Strategic Objective	Gap	Capacity Building Area
Security of power supply and regional cooperation	Overregulation	<b>Regulatory engagement:</b> Conduct open engagement between the regulator, shareholders, and sector ministry on the roles of each of the parties.
	Sector Ministry oversight	<b>Shareholding:</b> Make MEMD a shareholder of UETCL  <b>Enabling laws and regulations:</b> Expedite amendment of the Electricity Act and Energy Policy  <b>Sector wide planning:</b> Put in place a sector-wide planning /working group
Accelerated grid infrastructure development and stimulation of demand	Government policy changes on the conditions precedent for project implementation	<b>Government Policies:</b> Address policy weaknesses of i) Delays in provision of funds for feasibility studies ii) Budgetary provisions for RAP before project financiers are identified
	Lack of enabling laws for land acquisition	<b>Enabling laws and regulations:</b> Expedite amendment of the Land Acquisition Bill
Financial sustainability**	Weak financial management practices **	<b>Financial efficiency:</b> Review options to remove liability for deemed energy charges and bad debts provisions related to MDAs from UETCL.**  Transfer foreign exchange liability to GoU.  Work with MoFPED to renegotiate interest rates on AFD loan.
	Inadequate financial resources to implement strategy	<b>Financing:</b> Continued engagement with ERA on reporting dates and utilisation of profits. Sourcing of grants as alternative financing options.

**Table 2:** Capacity Building Solutions at Environment Level

## 2.6 Capacity Building Solutions at Organisational Level

Strategic Objective	Gap	Capacity Building Area
Security of power supply and regional cooperation**	Weak leadership structures **	<b>Board meetings:</b> Should be reduced to allow Management time to implement the CBP. 6 Full Board meetings and 5 committee meetings per committee would put UETCL in line with corporate practice. **
		<b>Governance Improvement:</b> Review and Update Board Charter, Compliance, Processes, membership skills and tenure, to ensure provision of vibrant and relevant leadership to the organisation.
	KPIs are not linked to strategy	<b>Strategic alignment:</b> Develop KPIs aligned with stakeholder and shareholder needs and expectations
	TSO role not fully executed	<b>TSO Efficiency:</b> Empower UETCL to carry out its role as the system operator and determine the demand supply balance
<b>Project planning:</b> Include holistic assessment of resource requirements in project plans <b>Project planning:</b> create mechanisms for realistic forecast of growth in electricity demand to optimize investments in grid expansion and reinforcements		
Accelerated grid infrastructure development and stimulation of demand**	Inefficient wayleaves process **	<b>Wayleaves acquisition:</b> Timely and cost effectively securing of wayleaves through enhancing inhouse capacity for wayleaves acquisition and a specific department for RAP implementation. **
	Weak business wide accountability mechanisms	<b>Wayleaves acquisition:</b> Governance framework, rules and procedures for wayleaves acquisition to enable efficient processing of wayleaves
Financial sustainability**	KPIs are not linked to strategy	<b>CBP enhancements:</b> Prioritise the CBP as the apex strategy document of the Company – aligned to NDP, costed and with focused leading indicators.
		<b>Risk management:</b> Focus on closure of internal and external audit issues. <b>Enterprise Risk Management:</b> Document and regularly update the Enterprise Risk Register.
	Weak business wide accountability mechanisms	<b>KPI revision:</b> Revise KPIs for gearing and revenue generation. <b>Reporting:</b> Prioritise the production of the FY20 annual report and set a calendar for production of annual reports with delegated officers within the Company.
		<b>Project evaluation criteria:</b> Emphasise financial evaluation in the project evaluation criteria through metrics such as NPV and payback period.
		<b>Policies:</b> review and update the FPPM and take steps to ensure it is implemented as approved.
	Weak financial management practices	<b>BOD Approval Limits:</b> Adjust the approval levels to engage the BOD on strategic procurement (above UGX 10bn) and instead focus the Board on approval of the annual operating budget **
<b>Pre-disbursement planning:</b> Negotiate out or plan for clauses or guidelines in the disbursement agreements that could negatively impact on project implementation.		
Weak procurement practices**		

Strategic Objective	Gap	Capacity Building Area
		<p><b>Policies:</b> Expedite the ongoing development of a Procurement Manual with a focus on reducing process complexity and procurement delays.</p> <p><b>EPC contractor selection:</b> EPC contractors and consultants should all have bid bonds and performance guarantees executed by reputable financial institutions.</p>
Robust human capital development**	Weak business wide accountability mechanisms**	<p><b>Accountability Mechanisms:</b> Ensure reward mechanisms are aligned to motivate delivery of strategic goals by development of a Compensation and Rewards Policy for the business and link all Rewards and Recognitions approaches (R&amp;Rs) to PMS.**</p> <p><b>Organisation Structure:</b> Recast and align structure and staff deployment for delivery of organisation mandate</p> <p><b>Salary survey:</b> Undertake tailored market surveys with specific and relevant entities as well participate in annual Compensation and benefit studies with reputable companies like Mercer.</p> <p><b>Structural changes:</b> Redesign the HR &amp; A structure into two separate arms (HRA) and (PM&amp;L&amp;D). Restructure the HR Department to bring in good talent with relevant experience, agility, and business mindset.</p>
	KPIs are not linked to strategy**	<p><b>Accountability Mechanisms:</b> Develop and link departmental and individual KPIs with Company strategic goals. **</p>
	Negative organization culture	<p><b>Build a positive culture:</b> Develop and implement a succession planning policy and talent management strategy.</p>
		<p><b>Cultural transformation:</b> Conduct an organisation-wide cultural transformation project to drive performance.</p>
Poor human resource practices		<p><b>Human Capital Development:</b> Align organisation staffing, retention practises and structure with best practise to enable delivery of the mandate.</p> <p><b>Learning and development:</b> Align skills development, training, mentorship and career progression with organisation's strategic thrust</p> <p><b>Skills analysis and audit:</b> Conduct a comprehensive review of the skills especially after a new structure has been developed and approved. This should involve a detailed background check on all employees' academic documents and relevant work experiences.</p> <p><b>Job analysis and job evaluation:</b> Perform a job analysis and determine optimum staffing level ensuring that staffing levels are aligned with the business requirement</p> <p><b>Exit management process:</b> Improve the exit management process to pick both formal and informal factors driving the key staff exits</p> <p><b>Organizational structure:</b> Planning and Investments department be strengthened to deliver feasibility studies in-house, provide standards and specifications and focus on its core activities</p>



Strategic Objective	Gap	Capacity Building Area
Efficient business processes and systems	Inefficient wayleaves process	<b>Wayleaves acquisition:</b> Engage external stakeholders to address delays and conflicts in RAP process
		<b>TSO Efficiency:</b> Empower UETCL to support designs, feasibility studies and ESIA/RAP studies
	Weak business wide accountability mechanisms	<b>Business efficiency:</b> Develop an enterprise process model that depicts integrated business operations, organizational setup, and key stakeholders.
		<b>Digital transformation:</b> Develop To-Be (future) business process maps for the core business processes to be impacted by the ERP system. These should be improved to depict level of automation needed in the business process.
		<b>Business efficiency:</b> Project governance framework and project manual to be strengthened to achieve efficient delivery of projects
	Low levels of technology enablement**	<b>ERP Implementation:</b> Automate business processes across the Company through the implementation of a modern ERP**
		<b>SCADA Upgrade:</b> Improve UETCL grid infrastructure through the upgrade of SCADA System and Integrating GIS with SCADA**
		<b>Digital transformation:</b> Create a digital strategy to streamline the digital transformation efforts. Focus on maximizing competitive advantage, growth, profit, and value
		<b>Benchmarking:</b> Benchmark ICT plan on best practises of leading Transmission companies and assign KPIs to measure ICT business enablement.
		<b>IT Service Management:</b> Automate IT service management through implementation of an enterprise helpdesk system.
<b>Enterprise Data Centre:</b> Reduce data centre complexity through deployment of hyperconverged systems.		
<b>Adopt Emerging IT Technology:</b> This involves integrating innovative ICT with digital power platforms to provide a digital grid that supports status awareness and intelligent interconnection, digital operations that improve operations and maintenance (O&M) and operational efficiency, and digital Services that support scenario-based solutions such as multi-station integrations and smart metering and integration with business applications.		
TSO role not fully executed	<b>TSO Efficiency:</b> Develop a definitive set of technical standards and specifications as reference to govern engineering processes.	
Weak leadership structures	<b>Efficient ICT project implementation:</b> Prioritize the appointment of an ERP project team	

**Table 3:** Capacity Building Solutions at Organisational Level

### 3.0 CAPACITY BUILDING SOLUTIONS IMPLEMENTATION

The proposed strategic actions of the CBS are designed to be executed within 4 years. The schedule of actions has been informed by the level of need, logical sequence on how urgent they are needed to ensure that the strategic gaps in the UETCL are fixed.

The activities in this capacity development plan have been prioritized and categorized in terms of short, medium and long term to guide planners and implementers.

- Short term – implementable in 0 – 12 months.
- Medium term – implementable between 13 – 24 months.
- Long term – implementable between 25 – 48 months.

#### 3.1 Implementation of Capacity Building Solutions at Enabling Environment Level

Strategic Objective	Capacity Building Area	S	M	L
Security of power supply and regional cooperation	<b>Regulatory engagement:</b> Conduct open engagement between the regulator, shareholders and sector ministry on the roles of each of the parties.			
	<b>Shareholding:</b> Make MEMD a shareholder of UETCL			
	<b>Enabling laws and regulations:</b> Expedite amendment of the Electricity Act and Energy Policy			
	<b>Sector wide planning:</b> Put in place a sector-wide planning /working group			
Accelerated grid infrastructure development and stimulation of demand	<b>Government Policies:</b> Address policy weaknesses of i) Delays in provision of funds for feasibility studies ii) Budgetary provisions for RAP before project financiers are identified			
	<b>Enabling laws and regulations:</b> Expedite amendment of the Land Acquisition Bill			
Financial sustainability**	<b>Financial efficiency:</b> Review options to remove liability for deemed energy charges and bad debts provisions related to MDAs from UETCL. **			
	Transfer foreign exchange liability to GoU.			
	Work with MoFPED to renegotiate interest rates on AFD loan.			
	<b>Financing:</b> Continued engagement with ERA on reporting dates and utilisation of profits. Sourcing of grants as alternative financing options.			

**Table 4:** Implementation of Capacity Building Solutions at Enabling Environment Level

## 3.2 Implementation of Capacity Building Solutions at Organisational Level

Strategic Objective	Capacity Building Area	S	M	L
Security of power supply and regional cooperation	<b>Governance Improvement:</b> Review and Update Board Charter, Compliance, Processes, membership skills and tenure, to ensure provision of vibrant and relevant leadership to the organisation			
	<b>Board meetings:</b> Should be reduced to allow Management time to implement the CBP. 6 Full Board meetings and 5 committee meetings per committee would put UETCL in line with corporate practice. **			
	<b>Project planning:</b> Create mechanisms for realistic forecast of growth in electricity demand to optimize investments in grid expansion and reinforcements			
	<b>Project planning:</b> Include holistic assessment of resource requirements in project plans			
	<b>Strategic alignment:</b> Develop KPIs aligned with stakeholder and shareholder needs and expectations			
	<b>TSO Efficiency:</b> Empower UETCL to carry out its role as the system operator and determine the demand supply balance			
Accelerated grid infrastructure development and stimulation of demand**	<b>Wayleaves acquisition:</b> Timely and cost effectively securing of wayleaves through enhancing inhouse capacity for wayleaves acquisition and a specific department for RAP implementation**			
	<b>Wayleaves acquisition:</b> Governance framework, rules and procedures for wayleaves acquisition to enable efficient processing of wayleaves			
Financial sustainability**	<b>BOD Approval Limits:</b> Adjust the approval levels to engage the BOD on strategic procurement (above UGX 10bn) and instead focus the Board on approval of the annual operating budget**			
	<b>CBP enhancements:</b> Prioritise the CBP as the apex strategy document of the Company - aligned to NDP, costed and with focused leading indicators.			
	<b>Enterprise Risk Management:</b> Document and regularly update the Enterprise Risk Register.			
	<b>EPC contractor selection:</b> EPC contractors and consultants should all have bid bonds and performance guarantees executed by reputable financial institutions.			
	<b>KPI revision:</b> Revise KPIs for gearing and revenue generation.			
	<b>Policies:</b> Expedite the ongoing development of a Procurement Manual with a focus on reducing process complexity and procurement delays.			
	<b>Policies:</b> Review and update the FPPM and take steps to ensure it is implemented as approved.			
	<b>Pre-disbursement planning:</b> negotiate out or plan for clauses or guidelines in the disbursement agreements that could negatively impact on project implementation.			
	<b>Project evaluation criteria:</b> Emphasise financial evaluation in the project evaluation criteria through metrics such as NPV and payback period.			
	<b>Reporting:</b> Prioritise the production of the FY20 annual report and set a calendar for production of annual reports with delegated officers within the Company.			

Strategic Objective	Capacity Building Area	S	M	L
	<b>Risk management:</b> Focus on closure of internal and external audit issues.			
Robust human capital development**	<b>Accountability Mechanisms:</b> Develop and link departmental and individual KPIs with Company strategic goals.**			
	<b>Accountability Mechanisms:</b> Ensure reward mechanisms are aligned to motivate delivery of strategic goals by development of a Compensation and Rewards Policy for the business and link all Rewards and Recognitions approaches (R&Rs) to PMS.**			
	<b>Organisation Structure:</b> Recast and align structure and staff deployment for delivery of organisation mandate			
	<b>Salary survey:</b> Undertake tailored market surveys with specific and relevant entities as well participate in annual Compensation and benefit studies with reputable companies like Mercer.			
	<b>Cultural transformation:</b> Conduct an organisation-wide cultural transformation project to drive performance.			
	<b>Build a positive culture:</b> develop and implement a succession planning policy and talent management strategy.			
	<b>Human Capital Development:</b> Align organisation staffing, retention practises and structure with best practise to enable delivery of the mandate.			
	<b>Learning and development:</b> Align skills development, training, mentorship and career progression with organisation's strategic thrust			
	<b>Skills analysis and audit:</b> Conduct a comprehensive review of the skills especially after a new structure has been developed and approved. This should involve a detailed background check on all employees' academic documents and relevant work experiences.			
	<b>Structural changes:</b> Redesign the HR & A structure into two separate arms (MHRA) and (PM&L&D). Restructure the HR Department to bring in good talent with relevant experience, agility, and business mindset.			
	<b>Job analysis and job evaluation:</b> Perform a job analysis and determine optimum staffing level ensuring that staffing levels are aligned with the business requirement			
	<b>Exit management process:</b> Improve the exit management process to pick both formal and informal factors driving the key staff exits			
	<b>Organizational structure:</b> Planning and Investments department to be strengthened to deliver feasibility studies in-house, provide standards and specifications and focus on its core activities			
Efficient business processes and systems**	<b>ERP Implementation:</b> Automate business processes across the Company through the implementation of a modern ERP**			
	<b>SCADA Upgrade:</b> Improve UETCL grid infrastructure through the upgrade of SCADA System and Integrating GIS with SCADA**			
	<b>Business efficiency:</b> Project governance framework and project manual to be strengthened to achieve efficient delivery of projects			
	<b>Business efficiency:</b> Develop an enterprise process model that depicts integrated business operations, organizational setup, and key stakeholders.			
	<b>Digital transformation:</b> Develop To-Be (future) business process maps for the core business processes to be impacted by the ERP system. These should be improved to depict level of automation needed in the business process.			

Strategic Objective	Capacity Building Area	S	M	L
	<b>Digital transformation:</b> Create a digital strategy to streamline the digital transformation efforts. Focus on maximizing competitive advantage, growth, profit, and value			
	<b>Efficient ICT project implementation:</b> Prioritize the appointment of an ERP project team			
	<b>Benchmarking:</b> Benchmark ICT plan on best practises of leading Transmission companies and assign KPIs to measure ICT business enablement.			
	<b>IT Service Management:</b> Automate IT service management through implementation of an enterprise helpdesk system.			
	<b>Enterprise Data Centre:</b> Reduce data centre complexity through deployment of hyperconverged systems.			
	<b>Adopt Emerging IT Technology:</b> This involves integrating innovative ICT with digital power platforms to provide a digital grid that supports status awareness and intelligent interconnection, digital operations that improve operations and maintenance (O&M) and operational efficiency, and digital Services that support scenario-based solutions such as multi-station integrations and smart metering and integration with business applications.			
	<b>TSO Efficiency:</b> Develop a definitive set of technical standards and specifications as reference to govern engineering processes.			
	<b>TSO Efficiency:</b> Empower UETCL to support designs, feasibility studies and ESIA/RAP studies			

**Table 5:** Implementation of Capacity Building Solutions at Organisational Level

### 3.3 Financing Plan for Capacity Building Solutions

The implementation and roll out of the CBS will need to follow an accelerated financial plan and resource mobilization strategy that will be able to implement the solutions and ultimately improve mandate execution within UETCL. Engagement is therefore needed at the national government line Ministries, Donors, and the private sector.

The knowledge behind the financial plan for this CBS is to provide an idea of what it will cost to have the UETCL CBS implemented.

#### a) Budget per Year and Business Objective

The budgeting process was guided by the business objectives of the Company. The specific costing was done on the actions. The purpose was to ensure that a given Ugandan shilling is tagged and attached to ensure an output is achieved from a proposed action. The total budget for 4 years to fund all the proposed actions totals to **UGX 51.355 billion** with the bulk of the funding for implementation of an ERP and SCADA upgrade.

As can also be seen in Table 5, the funding is largely in the first 2 years, with funding in years 3 – 4 being mainly for review purposes.

Strategic Objective	Year 1	Year 2	Year 3 - 4	Total Cost
Financial sustainability	750	0	200	950
Security of Power Supply and Regional Cooperation	150	0	0	150
Robust human capital development	950	50	0	1,000
Efficient business processes and systems	17,010	16,130	16,115	49,255
<b>Total</b>	<b>18,860</b>	<b>16,180</b>	<b>16,315</b>	<b>51,355</b>

(Amounts in UGX Mn)

**Table 6:** Budget per Business Objective and Year

## b) Key budget drivers

**Table 6** indicates the allocation of budget by Capacity Building area. The costs contained in this table are the Consultant's estimates and should be validated through the procurement process.

Strategic Objective	Capacity Building Area	Year 1	Year 2	Year 3 - 4	Total Cost
Financial sustainability	CBP enhancements: Prioritise the CBP as the apex strategy document of the Company - aligned to NDP, costed and with focused leading indicators. <i>Cost Driver: Consultant to guide the strategy review process.</i>	150			<b>150</b>
	Policies: Expedite the ongoing development of a Procurement Manual with a focus on reducing process complexity and procurement delays. <i>Cost Driver: Consultant to develop a Procurement Manual.</i>	300		100	<b>400</b>
	Policies: review and update the FPPM and take steps to ensure it is implemented as approved. <i>Cost Driver: Consultant to update the FPPM.</i>	300		100	<b>400</b>
Security of Power Supply and Regional Cooperation	Governance Improvement: Review and Update Board Charter, Compliance, Processes, membership skills and tenure, to ensure provision of vibrant and relevant leadership to the organisation <i>Cost Driver: Consultant to review the Board Charter.</i>	150	0	0	<b>150</b>
Robust human capital development	Accountability Mechanisms: Develop and link departmental and individual KPIs with Company strategic goals. <i>Cost Driver: Consultant to develop work with Management to develop KPIs linked to the strategy.</i>	200	0	0	<b>200</b>

Strategic Objective	Capacity Building Area	Year 1	Year 2	Year 3 - 4	Total Cost
	Salary survey: Undertake tailored market surveys with specific and relevant entities as well participate in annual Compensation and benefit studies with reputable companies like Mercer. <i>Cost Driver: Subscription to Compensation and benefit studies with reputable companies like Mercer</i>	50			<b>50</b>
	Cultural transformation: Conduct an organisation-wide cultural transformation project to drive performance. <i>Cost Driver: Consultant to work with Management and the Board to implement the cultural transformation project</i>	100	50		<b>150</b>
	Human Capital Development: Align organisation staffing, retention practises and structure with best practise to enable delivery of the mandate. <i>Cost Driver: Consultant to perform an organisational restructuring</i>	200	0	0	<b>200</b>
	Skills analysis and audit: Conduct a comprehensive review of the skills especially after a new structure has been developed and approved <i>Cost Driver: Consultant to conduct a comprehensive skills audit</i>	400	0	0	<b>400</b>
Efficient business processes and systems	Business efficiency: Ensure proper alignment of structure and staffing levels matched with workload and complexity <i>Cost Driver: Consultant to perform a workload analysis</i>	210	55	40	<b>305</b>
	TSO Efficiency: Empower UETCL to support designs, feasibility studies and ESIA/RAP studies <i>Cost Driver: Training programme for UETCL to conduct feasibility, ESIA and RAP studies</i>	150	75	75	<b>300</b>
	ERP Implementation: Automate business processes across the Company <i>Cost Driver: Turnkey ERP implementation budget including change management and quality assurance.</i>	8,000	8,000	8,000	<b>24,000</b>
	SCADA Upgrade: Improve UETCL grid infrastructure through the upgrade of SCADA System and Integrating GIS with SCADA <i>Cost Driver: Turnkey SCADA upgrade and integration with GIS</i>	8,000	8,000	8,000	<b>24,000</b>
	Job analysis and job evaluation: Perform a job analysis and determine optimum staffing level ensuring that staffing levels are aligned with the business requirement	400	0	0	<b>400</b>

Strategic Objective	Capacity Building Area	Year 1	Year 2	Year 3 - 4	Total Cost
	<i>Cost Driver: Consultant to conduct a job analysis and a job evaluation</i>				
	Organisation Structure: Recast and align structure and staff deployment for delivery of organisation mandate  <i>Cost Driver: Consultant to develop a business wide organisational structure including supporting departmental and unit structures.</i>	250	0	0	250
<b>Total</b>		<b>18,860</b>	<b>16,180</b>	<b>16,315</b>	<b>51,355</b>

(Amounts in UGX Mn)

**Table 7:** Budget by Capacity Building Area



## 4.0 CAPACITY BUILDING SOLUTIONS MONITORING AND EVALUATION

The impetus for inclusion of Monitoring and Evaluation (M&E) Framework for Capacity Building Solutions is based on a number of factors, with the ultimate aim of improving quality, performance, and learning across the electricity supply industry.

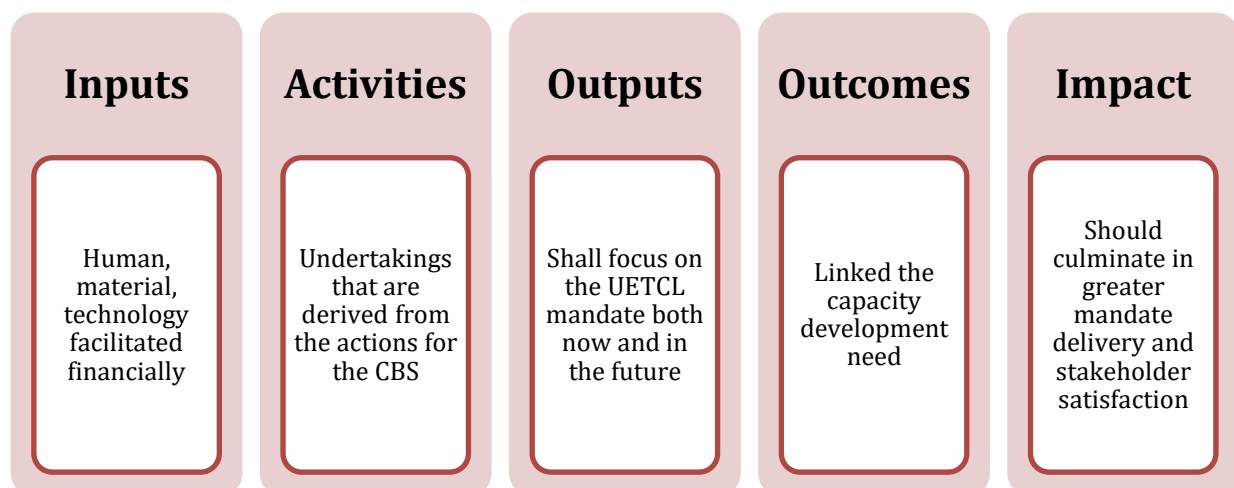
The considerations include:

- i) Growing stakeholders internal and external accountability requirements regarding the support and implementation of the CBS and eventually to the operationalization of the solutions
- ii) Providing a clear framework and system to assess the extent to which activities in the CBS for UETCL at all levels are contributing to Company's mandate

As seen through CBS development process, there has been an open persistent call for all stake holders to participate and contribute resources. Such an integration and multi sectorial approach requires the need to demonstrate results and impact growth.

To ensure a common understanding of what best M&E results will look like throughout the CBS implementation, a thematic simple but robust M&E framework has been put in place with associated core and thematic indicators.

- i) This will only be operative if UETCL improves data collection and analysis to better understand and measure the results and quickly come up with actions on how this can be improved basing on the accepted goal targets.
- ii) Ensure M&E activities throughout the CBS are in line with the UETCL mandate.
- iii) Be accountable to internal and external stakeholders through more effective and participatory M&E, and reporting.



**Figure 1:** Monitoring and Evaluation Framework

## 4.1 M&E indicators for solutions at the Enabling Environment Level

Strategic Objective	Capacity Building Area	Responsible Party(ies)	Outcome	Indicator
Security of power supply and regional cooperation	<b>Regulatory engagement:</b> Conduct open engagement between the regulator, shareholders and sector ministry on the roles of each of the parties.	MD/CEO MEMD ERA	Mitigate regulatory overreach	Signed minutes of engagement meetings
	<b>Shareholding:</b> Make MEMD a shareholder of UETCL	MoFPED, MEMD, MLHUD, Parliament	UETCL aligned to governance of MEMD	MEMD as a shareholder of UETCL
	<b>Enabling laws and regulations:</b> Expedite amendment of the Electricity Act and Energy Policy	MoFPED, MEMD, MLHUD, Parliament	Coordinated energy sector operations	Approved Electricity Act and Energy Policy with relevant clauses
	<b>Sector wide planning:</b> Put in place a sector-wide planning /working group	MEMD	Coordinated energy sector operations	Operational sector-wide planning /working group.
Accelerated grid infrastructure development and stimulation of demand	<b>Government Policies:</b> Address policy weaknesses of: <ul style="list-style-type: none"> <li>Delays in provision of funds for feasibility studies</li> <li>Budgetary provisions for RAP before project financiers are identified</li> </ul>	MoFPED, MEMD, MD/CEO	Enhanced project execution and grid development	Timely and complete provision of funds for feasibility studies and RAP before financiers are identified
	<b>Enabling laws and regulations:</b> expedite amendment of the Land Acquisition Bill	MoFPED, MEMD, MLHUD, Parliament	Timely land acquisition	Amended Land Acquisition Act
Financial sustainability**	<b>Financial efficiency:</b> Review options to remove liability for deemed energy charges and bad debts provisions related to MDAs from UETCL. **  Transfer foreign exchange liability to GoU.  Work with MoFPED to renegotiate interest rates on AFD loan.	MD/CEO MFAS	Financial performance free of uncontrollable risks	Zero provisions for MDA bad debts. MoFPED -UETCL on lending agreements domiciled in UGX. AFD loan interest renegotiated to 2 - 3%.
	<b>Financing:</b> Continued engagement with ERA on reporting dates and utilisation of profits.  Sourcing of grants as alternative financing options.	MD/CEO	Improved strategic execution	100% control over retained earnings. 100% achievement of grants budget

**Table 8:** M&E Indicators – Enabling Environment Level

## 4.2 M&E Indicators for Solutions at Organisational Level

Strategic Objective	Capacity Building Area	Responsible Party(ies)	Outcome	Indicator
Security of power supply and regional cooperation	<b>Board meetings:</b> Should be reduced to allow Management time to implement the CBP. 6 Full Board meetings and 5 committee meetings per committee would put UETCL in line with corporate practice. **	BOD	Effective and efficient BOD	6 Full Board & 5 Committee Meetings per year (from the date of adoption)
	<b>Governance Improvement:</b> Review and Update Board Charter, Compliance, Processes, membership skills and tenure, to ensure provision of vibrant and relevant leadership to the organisation	BOD	Effective and efficient BOD	Zero reports of Board Non-Compliance
	<b>Project planning:</b> Create mechanisms for realistic forecast of growth in electricity demand to optimize investments in grid expansion and reinforcements	MP&I	Optimized cost of investments in capital projects	Reducing the amount of planned investment spend
	<b>Project planning:</b> Include holistic assessment of resource requirements in project plans	MP&I	Adequate allocation of resources such as personnel, tools, transport, office space and equipment to projects	Project plans include detailed resource plans
	<b>Strategic alignment:</b> Develop KPIs aligned with stakeholder and shareholder needs and expectations	MD/CEO	Improved strategic alignment at all levels of UETCL	Agreed set of reflective KPI between the stakeholders and UETCL.
	<b>TSO Efficiency:</b> Empower UETCL to carry out its role as the system operator and determine the demand supply balance	BOD MD/CEO	UETCL plans and controls the addition of generation capacity	Optimized/balanced generation surplus
Accelerated grid infrastructure development and stimulation of demand	<b>Wayleaves acquisition:</b> Timely and cost effectively securing of wayleaves through enhancing inhouse capacity for wayleaves acquisition and a specific department for RAP implementation**	BOD MD/CEO	Timely wayleaves acquisition	In-house Land acquisition department
	<b>Wayleaves acquisition:</b> Governance framework, rules and procedures for wayleaves acquisition to enable efficient processing of wayleaves	BOD MD/CEO	Standard procedures and rules in wayleaves acquisition	Reviewed and approved procedures and rules
Financial sustainability	<b>BOD Approval Limits:</b> Adjust the approval levels to engage the BOD on strategic procurement (above UGX 10bn) and instead focus the Board on approval of the annual operating budget**	BOD MD/CEO	Increased strategic focus by BOD	BOD approval limits set at UGX 10Bn

Strategic Objective	Capacity Building Area	Responsible Party(ies)	Outcome	Indicator
	<b>CBP enhancements:</b> Prioritise the CBP as the apex strategy document of the Company - aligned to NDP, costed and with focused leading indicators.	MD/CEO	Improved strategic alignment at all levels of UETCL	Costed CBP that is linked to the NDP with leading indicators embedded approved 6 months before the period it relates to.
	<b>Enterprise Risk Management:</b> Document and regularly update the Enterprise Risk Register.	BOD MD/CEO	Improved enterprise risk management	Management and BOD approved Enterprise Risk Register.
	<b>EPC contractor selection:</b> EPC contractors and consultants should all have bid bonds and performance guarantees executed by reputable financial institutions banks.	MPD	Improved financial and risk management in project implementation.	EPC contractor and consultant selection checklist.
	<b>KPI revision:</b> Revise KPIs for gearing and revenue generation.	MFAS	Improved strategic alignment at all levels of UETCL	Agreed set of reflective KPI between the stakeholders and UETCL.
	<b>Policies:</b> Expedite the ongoing development of a Procurement Manual with a focus on reducing process complexity and procurement delays.	MPD	Increased efficiency and risk management in procurement.	Approved Procurement Manual.
	<b>Policies:</b> Review and update the FPPM, and take steps to ensure it is implemented as approved.	MFAS	Improved financial and risk management.	Approved updated FPPM
	<b>Pre-disbursement planning:</b> Negotiate out or plan for clauses or guidelines in the disbursement agreements that could negatively impact on project implementation.	MFAS MPI	Improved financial and risk management in project implementation.	Pre-disbursement checklist signed off by Management.
	<b>Project evaluation criteria:</b> Emphasise financial evaluation in the project evaluation criteria through metrics such as NPV and payback period.	MFAS MPI	Improved financial and risk management in project implementation.	Project acceptance criteria signed off by Management.
	<b>Reporting:</b> Prioritise the production of the FY20 annual report and set a calendar for production of annual reports with delegated officers within the Company.	MD/CEO	Improved accountability to stakeholders.	Approved annual report within 6 months of financial year end
	<b>Risk management:</b> focus on closure of internal and external audit issues.	MD/CEO MIA	Improved enterprise risk management	Timely closure of 100% of internal and external audit issues.

Strategic Objective	Capacity Building Area	Responsible Party(ies)	Outcome	Indicator
Robust human capital development	<b>Accountability Mechanisms:</b> Develop and link departmental and individual KPIs with Company strategic goals. **	MD/CEO MHRA	High performance culture	Approved performance KPIs from strategy to individual performance management tools
	<b>Accountability Mechanisms:</b> Ensure reward mechanisms are aligned to motivate delivery of strategic goals**	MD/CEO MHRA	High performance culture	Approved rewards and differentiated rewards policy
	<b>Organisation Structure:</b> Recast and align structure and staff deployment for delivery of organisation mandate	BOD MD/CEO MHRA	Efficient and high performing organisation	Realigned and BOD approved organisational structure
	<b>Salary survey:</b> Undertake tailored market surveys with specific and relevant entities as well participate in annual Compensation and benefit studies with reputable companies like Mercer.	MD/CEO MHRA	Aligned and competitive compensation and benefits	Management and BOD Approved salary survey report
	<b>Cultural transformation:</b> Conduct an organisation-wide cultural transformation project to drive performance.	MD/CEO MHRA	High performance culture	Completed cultural transformation project
	<b>Build a positive culture:</b> develop and implement a succession planning policy and talent management strategy.	MD/CEO MHRA	High performance culture	Approved succession planning and talent management policies
	<b>Human Capital Development:</b> Align organisation staffing, retention practises and structure with best practise to enable delivery of the mandate.	MD/CEO MHRA	Efficient and high performing organisation	Benchmark study with comparator organisations
	<b>Learning and development:</b> Align skills development, training, mentorship and career progression with organisation's strategic thrust	MD/CEO MHRA	Efficient and high performing organisation	Approved management and leadership development policy
	<b>Skills analysis and audit:</b> Conduct a comprehensive review of the skills especially after a new structure has been developed and approved	MD/CEO MHRA	Efficient and high performing organisation	BOD approved skills analysis and audit report
	<b>Structural changes:</b> Redesign the HR & A structure into two separate arms (MHRA) and (PM&L&D).  Restructure the HR Department to bring in good talent with relevant experience, agility, and business mindset.	MD/CEO MHRA	HR set up as a business change driver	Approved HR structure (people, structure, policies and systems)
<b>Job analysis and job evaluation:</b> Perform a job analysis and determine optimum staffing level ensuring that	MD/CEO MHRA	Optimised work force	Approved job analysis and evaluation report	

Strategic Objective	Capacity Building Area	Responsible Party(ies)	Outcome	Indicator
	staffing levels are aligned with the business requirement.			
	<b>Exit management process:</b> Improve the exit management process to pick both formal and informal factors driving the key staff exits	MHRA	Optimised work force	Quarterly exit report with comprehensive exit drivers
	<b>Organizational structure:</b> Planning and Investments department to be strengthened to deliver feasibility studies in-house, provide standards and specifications and focus on its core activities	MD/CEO MHRA MP&I	Efficient and high performing organisation	Realigned and BOD approved organisational structure
Efficient business processes and systems**	<b>ERP Implementation:</b> Automate business processes across the Company through the implementation of a modern ERP**	MD/CEO MICT	Efficient and effective business processes	Signed off to-be process maps ERP implemented to UETCL specifications
	<b>SCADA Upgrade:</b> Improve UETCL grid infrastructure through the upgrade of SCADA System and Integrating GIS with SCADA**	MD/CEO MICT	Optimised Grid Infrastructure	SCADA upgrade to UETCL specifications
	<b>Business efficiency:</b> Project governance framework and project manual to be strengthened to achieve efficient delivery of projects	MPI	Effective and efficient management of projects	Projects delivered safely, on time, within budget and of desired quality
	<b>Business efficiency:</b> Develop an enterprise process model that depicts integrated business operations, organizational setup, and key stakeholders.	MD/CEO	Efficient and effective business processes	Signed enterprise business process model
	<b>Business efficiency:</b> Ensure proper alignment of structure and staffing levels matched with workload and complexity	MD/CEO MHRA	Effective and efficient organisation structure	Competitive reward packages with comparable organisations in the sector
	<b>Digital transformation:</b> Develop To-Be (future) business process maps for the core business processes to be impacted by the ERP system. These should be improved to depict level of automation needed in the business process.	MICT	Increased efficiency, and greater visibility of business operations	Signed to-be business process maps
	<b>Digital transformation:</b> Automate IT service management through implementation of an enterprise helpdesk system	MICT	Improved IT operational efficiency	Working enterprise level service desk system
	<b>Digital transformation:</b> Create a digital strategy to streamline the digital transformation efforts. Focus on maximizing competitive advantage, growth, profit, and value	MICT	Increased digital operations across the business	Signed off digital strategy
	<b>Digital transformation:</b> Reduce data centre complexity through	MICT	Increased data centre efficiency,	Working hyperconverged

Strategic Objective	Capacity Building Area	Responsible Party(ies)	Outcome	Indicator
	deployment of hyperconverged systems.		scalability, agility, data protection and cost efficiency.	infrastructure (HCI)
	<b>Efficient ICT project implementation:</b> Prioritize the appointment of an ERP project team	MD/CEO MICT	Successful ERP project implementation	Assigned ERP SteerCo, project manager, and project team
	<b>Benchmarking:</b> Benchmark ICT plan on best practises of leading Transmission companies and assign KPIs to measure ICT business enablement.	MD/CEO MICT	Improved IT operational efficiency and projects delivery	Business process and practises aligned
	<b>Adopt Emerging IT Technology:</b> This involves integrating innovative ICT with digital power platforms to provide a digital grid that supports status awareness and intelligent interconnection, digital operations that improve operations and maintenance (O&M) and operational efficiency, and digital Services that support scenario-based solutions such as multi-station integrations and smart metering and integration with business applications	MD/CEO MICT	Optimised Grid Infrastructure and efficient business processes	Signed off road map for technology adoption
	<b>TSO Efficiency:</b> Develop a definitive set of technical standards and specifications as reference to govern engineering processes.	MICT MP&I	A central controlled standards and specifications documentation	User departments relying on standards and specifications in a central electronic documentation system.
	<b>TSO Efficiency:</b> Empower UETCL to support designs, feasibility studies and ESIA/RAP studies	MD/CEO MPI	Capacity to do feasibility studies and designs in-house	No of Designs, Feasibility and ESIA/RAP studies done in-house
	<b>Wayleaves acquisition:</b> Engage external stakeholders to address delays and conflicts in RAP process	BOD MD/CEO MLHUD, MoJCA, RAP Consultants	Timely completion of conflict free RAP process	Reduced turnaround time for obtaining external stakeholder inputs; Signed engagement meetings minutes

**Table 9:** M&E Indicators – Organisational Level



## **ANNEXES**

1. Recommendations from the Capacity Assessment
2. List of consulted stakeholders/respondents
3. List of references
4. Data collection tools used for the assessment



## Annex I: Recommendations from the Capacity Assessment

### Detailed Recommendations from the Capacity Assessment

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
1	MEMD is not a shareholder of UETCL	Expedite Amendment of the Electricity Act	25 – 48 Months	MFPED MEMD	Governance	01. Enabling Environment	Sector ministry oversight	01.Institutional Arrangements	1.Security of power supply and regional cooperation	01.High
2	There is need to clarify the roles and responsibilities of the Regulator, the Policy holder, and the BOD	High level engagement between the Regulator, Shareholders and Sector Ministry.	13 – 24 Months	ERA MFPED MEMD BOD	Governance	01. Enabling Environment	Overregulation	01.Institutional Arrangements	1.Security of power supply and regional cooperation	01.High
3	Reorganisation and justification of recruitment of staff	Link recruitment needs with performance targets for approval by ERA	13 – 24 Months	BOD, CEO, HR	Governance	02. Organizational	Poor human resource practices	04.Accountability	4.Robust human capital development	02.Medium
4	There is need for sector wide coordinated planning and structures among stakeholder institutions	Pass and adopt the proposed new Energy Policy	13 – 24 Months	MEMD	Governance	01. Enabling Environment	Sector ministry oversight	01.Institutional Arrangements	1.Security of power supply and regional cooperation	02.Medium
5	UETCL need to develop and adopt a standard nomination/	Draft a selection process and secure ratification by UETCL	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	01.Institutional Arrangements	1.Security of power supply and regional cooperation	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	selection process for BOD members	shareholders. Update charter accordingly								
6	UETCL is lacking a nomination committee	Secure nomination committee membership with shareholders. Update charter accordingly	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	01.Institutional Arrangements	1.Security of power supply and regional cooperation	02.Medium
7	Clarify Board Member Tenure, tenure extension/renewal and allowable number of terms	<ul style="list-style-type: none"> <li>Establish and set tenures for the various categories of Board Members.</li> <li>Establish and record the process for renewal/extension of tenure.</li> <li>Establish the maximum allowable number of terms of service of an individual as director of UETCL Board.</li> <li>Capture the details in the Board Charter</li> </ul>	0 – 12 months	BOD	Governance	02. Organizational	Weak leadership structures	02.Leadership	1.Security of power supply and regional cooperation	01.High
8	Annual BOD member self and competency	o Execute BOD Member Self & Competency Evaluation before	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	04.Accountability	1.Security of power supply and regional cooperation	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	evaluations are not done.	year end and annually going forward o Ensure this process informs the selection and renewal processes;								
9	The BOD charter is not up to date	o Update BOD Charter current status o Redesign BOD Charter with Annexes to capture changing parameters to which reference is made in body.	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	04.Accountability	1.Security of power supply and regional cooperation	02.Medium
10	UETCL has not developed and adopted a standard nomination / selection process for BOD members	o Draft a selection process and secure ratification by UETCL shareholders. Update charter accordingly	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	01.Institutional Arrangements	1.Security of power supply and regional cooperation	02.Medium
11	There is a need to clarify BOD member tenure, tenure extension/renewal and allowable number of terms	o Establish and set tenures for the various categories of BOD Members. o Establish and record the process for	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	04.Accountability	1.Security of power supply and regional cooperation	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		renewal/extension of tenure. o Establish the maximum allowable number of terms of service of an individual as director of UETCL BOD. o Capture the details in the BOD Charter								
12	BOD membership is not rotated	o Establish and document a process to ensure BOD Membership is rotated	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	01.Institutional Arrangements	1.Security of power supply and regional cooperation	01.High
13	UETCL consider revising current membership upwards to nine members for effective delivery of BOD business	Undertake the mandate procedural steps to on board two additional Non-Executive Independent BOD members	13 – 24 Months	BOD	Governance	02. Organizational	Weak leadership structures	01.Institutional Arrangements	1.Security of power supply and regional cooperation	02.Medium
14	A BOD skills gaps analysis has not been conducted	Execute the process of renewing and rotating BOD members to (i) obtain as much of the skill set and	13 – 24 Months	BOD	Governance	02. Organizational	Weak leadership structures	03.Knowledge	1.Security of power supply and regional cooperation	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		(ii) private corporate skills proposed above								
15	<p>With a total of 55 Board and Committee meetings in a year, Management could be spending more time preparing for and addressing issues from Board and Committee meetings as opposed to implementing the CBP.</p> <p>The frequent meetings could also change the Board agenda from being strategic to operational.</p>	Board meetings reduced to allow Management time to implement the CBP. 6 Full Board meetings and 5 committee meetings per committee would put UETCL in line with corporate practice.	0 – 12 months	BOD CS	Governance	02. Organizational	Weak leadership structures	01.Institutional Arrangements	1.Security of power supply and regional cooperation	01.High
16	There is no link between customer expectations and corporate goals	UETCL needs to identify its customers' expectations & derive corporate goals to meet them	0 – 12 months	MD/CEO HODs	CBP	02. Organizational	KPI are not linked to strategy	04.Accountability	1.Security of power supply and regional cooperation	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
17	The organisational goals and KPIs are not clearly linked to the reward – leading to unclear incentive for the BOD, Management and Employees to achieve and exceed the set goals.	The BOD and Management should clearly link the execution on organisational goals and KPIs to the reward with clear incentive for the BOD, Management and Employees to achieve and exceed the set goals.	13 – 24 Months	MD/CEO HODs	CBP	02. Organizational	KPI are not linked to strategy	04.Accountability	4.Robust human capital development	01.High
18	There is mis-alignment of organogram with UETCL mandate	Recast the organisation structure with five new divisions focused on overseeing specific aspects of the organisation mandate for effective delivery.	0 – 12 months	BOD MD/CEO	Governance	02. Organizational	Lack of business wide accountability mechanisms	01.Institutional Arrangements	5.Efficient business processes and systems	01.High
19	The MD/CEO has a wide span of control	Realignment of organisation structure to reduce MD/CEO span of control	0 – 12 months	BOD MD/CEO	Governance	02. Organizational	Poor human resource practices	01.Institutional Arrangements	5.Efficient business processes and systems	02.Medium
20	The organisation is top-heavy	Realign the structure to reflect the actual	0 – 12 months	MD/CEO HRA	Governance	02. Organizational	Poor human resource practices	01.Institutional Arrangements	4.Robust human	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		seniority of the staff compliment Implement a comprehensive salary review to realign salary structure and remunerate staff competitively in line with Sector and local context							capital development	
21	Benchmark parameters indicate the UETCL is overstaffed	Review the complement of staff (focus on non-core activities) with a view to aligning organisation with industry benchmarks	0 – 12 months	MD/CEO HRA	Governance	02. Organizational	Poor human resource practices	01.Institutional Arrangements	4.Robust human capital development	01.High
22	Strategy development is not aligned to the performance management system	Refine the business strategy and Corporate KPI documents across the organisation. Develop a comprehensive Performance Management System/ Tools with both technical and behavioural	0 – 12 months	BOD MD/CEO	Human Resources & Administration	02. Organizational	KPI are not linked to strategy	02.Leadership	4.Robust human capital development	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		aspects of assessment.								
23	Employee reward mechanisms (3Rs- Recruitment, Retentions and Rewards) are not well developed	Develop a Compensation and Rewards Policy for the business and link all Rewards and Recognitions approaches (R&Rs) to PMS. Undertake tailored market surveys with specific and relevant entities as well participate in annual Compensation and benefit studies with reputable companies like Mercer.	0 – 12 months	MD/CEO MHRA	Human Resources & Administration	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	4.Robust human capital development	02.Medium
24	HR business processes are not well aligned	Review of all business processes including those in HR&A to remove unnecessary and bureaucratic steps through a re-engineering process.	13 – 24 Months	BOD MD/CEO MHRA	Human Resources & Administration	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	5.Efficient business processes and systems	01.High



#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
25	Exit management process	Improve the exit management process to pick both formal and informal factors driving the key staff exits	0 – 12 months	MD/CEO MHRA	Human Resources & Administration	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	4.Robust human capital development	02.Medium
26	UETCL exhibits clan and hierarchical cultures.	Conduct an organisation-wide cultural transformation project to drive performance.	13 – 24 Months	MD/CEO MHRA	Human Resources & Administration	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	4.Robust human capital development	02.Medium
27	HR business processes are not automated	The business needs a comprehensive ERP covering most of the processes. In HR&A, there is need to automate the processes of Training, Performance Management and Recruitment. This will bring quick turnaround time in execution of roles, bring services close and remove a lot of subjective judgements.	13 – 24 Months	BOD MD/CEO MHRA	Human Resources & Administration	02. Organizational	Low levels of technology enablement	04.Accountability	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
28	UETCL needs to refine the quality of its people.	UETCL needs a comprehensive review of the skills especially after a new structure has been developed and approved. This will help both on aligning skills and ensuring optimum numbers in each Department.	0 – 12 months	BOD MD/CEO MHRA	Human Resources & Administration	02. Organizational	Poor human resource practices	03.Knowledge	4.Robust human capital development	02.Medium
29	HR structural alignment to the business need is lacking	Redesign the HR & A structure into two separate arms (MHRA) and (PM&L&D). Restructure the Department to bring in good talent with relevant experience, agility, and business mindset.	0 – 12 months	BOD MD/CEO	Human Resources & Administration	02. Organizational	Lack of business wide accountability mechanisms	01.Institutional Arrangements	4.Robust human capital development	01.High
30	UETCL has no talent management strategy	UETCL should review the current Regulations and make it detailed on all business processes. The business should	13 – 24 Months	MD/CEO MHRA	Human Resources & Administration	02. Organizational	Negative organization culture	03.Knowledge	4.Robust human capital development	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		develop a TMS focused on key Human Capital parameters like Talent Acquisition, PMS, L&D, Automation, C&B, Succession Planning etc.								
31	The succession planning policy across the organisation is lacking	Develop a Succession Planning Policy across the organisation. Identify all the technical talent and profile “seconds in line” and even “thirds in line”. These (Potential Successors) should be trained and exposed to key projects to prepare them for future roles.	13 – 24 Months	MD/CEO MHRA	Human Resources & Administration	02. Organizational	Negative organization culture	02.Leadership	4.Robust human capital development	01.High
32	Learning and development is not aligned to the business strategy	Develop a comprehensive Training procedural aligned to the business strategy. Create	13 – 24 Months	MD/CEO MHRA	Human Resources & Administration	02. Organizational	KPI are not linked to strategy	01.Institutional Arrangements	4.Robust human capital development	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		avenues for knowledge sharing and evaluations to achieve RoI on Training budget.								
33	The project governance has not been implemented at all levels of the Company.	Review the project governance framework as given in the project management manual.	0 – 12 months	MPI, MP&I	Capital Projects	02. Organizational	Lack of business wide accountability mechanisms	01.Institutional Arrangements	5.Efficient business processes and systems	02.Medium
34	Human resource capacity for capital project management is lacking	There is need to formally train project teams in project management practices.	13 – 24 Months	MHRA	Capital Projects	02. Organizational	Poor human resource practices	03.Knowledge	4.Robust human capital development	01.High
35	A company-wide project information system and management tools is lacking.	Provide a project information system to ease information flow, measure of performance and reporting.	13 – 24 Months	MICT	Capital Projects	02. Organizational	Low levels of technology enablement	01.Institutional Arrangements	5.Efficient business processes and systems	01.High
36	Policies, rules and procedures regarding land acquisition, valuation, compensation should be	Create a Committee to review policies and procedures.	13 – 24 Months	MCS	Capital Projects	01. Enabling Environment	Lack of business wide accountability mechanisms	01.Institutional Arrangements	2.Accelerated grid infrastructure development and stimulation of demand	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	reviewed to address challenges.									
37	ICT infrastructure to support electronic document system and decentralization	Introduce EDMS, use of remote working, decentralised teams.	13 – 24 Months	MICT MHRA	Capital Projects	02. Organizational	Low levels of technology enablement	03.Knowledge	5.Efficient business processes and systems	03.Low
38	Procurement process needs to be reviewed in terms of structure, human resource needs.	Streamline procurement by use of specific procurement manual Standardization of technical specifications to ease and fasten preparation of technical requirements;	13 – 24 Months	MCS MPI	Capital Projects	02. Organizational	Weak procurement practices	01.Institutional Arrangements	5.Efficient business processes and systems	01.High
39	Planning function to include assessment of resources required for the project	Realign the Planning Section to emphasize responsibility, include resource needs in the planning documents	13 – 24 Months	MP&I	Capital Projects	02. Organizational	TSO role not fully executed	01.Institutional Arrangements	1.Security of power supply and regional cooperation	02.Medium
40	The assumptions in load forecasts and particularly	Develop a stochastic approach to	13 – 24 Months	MP&I	Capital Projects	02. Organizational	TSO role not fully executed	03.Knowledge	1.Security of power supply	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	assumptions of growth in demand are overstated.	estimate growth in demand and a mechanism with Umeme of making better estimates of industrial loads							and regional cooperation	
41	Addition of new generation plants needs to be mitigated to avoid worsening financial burden on UETCL	Review and coordinate licensing of new investments in generation and Power Purchase Agreements Review of Demand-Supply balance to reaffirm generation plan	13 – 24 Months	MP&I	Capital Projects	02. Organizational	TSO role not fully executed	04.Accountability	1.Security of power supply and regional cooperation	02.Medium
42	Address the delays in preparation and approval of contract documents	Engage stakeholders involved in the process to develop a win-win solution	0 – 12 months	MCS	Capital Projects	02. Organizational	Weak procurement practices	02.Leadership	5.Efficient business processes and systems	02.Medium
43	The social aspects function has one senior officer overseeing over 100 staff creating a bottleneck and lack of effective supervision	Create other senior positions for social aspects and split the group into smaller units Do job analysis to ascertain optimum staffing levels Create a department for	13 – 24 Months	MCS MHRA	Capital Projects	02. Organizational	Poor human resource practices	01.Institutional Arrangements	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		Social and Environment affairs								
44	RAP implementation requires expertise in valuation and legal affairs to meet current challenges	Build in-house team of lawyers, surveyors and valuers to support the RAP process	13 – 24 Months	MCS	Capital Projects	02. Organizational	Inefficient wayleaves process	01.Institutional Arrangements	5.Efficient business processes and systems	01.High
45	Engineering Section (in Project Implementation) relies on technical expertise of consultants or user departments	Increase technical expertise in Project Implementation Department or create dedicated desks for projects in O&M and P&I. Increase project management training.	13 – 24 Months	MCS, MP&I, MPI, MHR&A	Capital Projects	02. Organizational	Poor human resource practices	01.Institutional Arrangements	4.Robust human capital development	02.Medium
46	Resources in Monitoring & Evaluation Section needs to be matched to workload.	Do job analysis and determine optimum level, Introduce EDMS, PIS to ease reporting	13 – 24 Months	MPI, MCS, ICT	Capital Projects	02. Organizational	Poor human resource practices	01.Institutional Arrangements	5.Efficient business processes and systems	02.Medium
47	Policies, rules and procedures regarding land acquisition, valuation,	Create a Committee to review policies and procedures. Change of	13 – 24 Months	BOD MD/CEO	Capital Projects	01. Enabling Environment	Inefficient wayleaves process	01.Institutional Arrangements	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	compensation should be reviewed to address challenges.	government policy on the conditions precedent for project implementations such as funding of ESIA/RAP implementation.								
48	In-house capacity to execute preliminary designs, feasibility studies and ESIA/RAP studies	Review and provide software tools, staff skills and competence, office equipment; interview and assess the capabilities of the team and assign according to each person's competence	13 – 24 Months	Manager P&I MHRA	Capital Projects	02. Organizational	TSO role not fully executed	03.Knowledge	4.Robust human capital development	02.Medium
49	UETCL lacks a process and method of verifying load estimates obtained from Umeme and industrialists	Review the planning approach to load forecasts with emphasis on mitigating the impact of exaggerated estimate	13 – 24 Months	Manager P&I Manager ICT	Capital Projects	02. Organizational	TSO role not fully executed	01.Institutional Arrangements	5.Efficient business processes and systems	02.Medium
50	The company lacks a set of definitive technical	Develop and ratify a definitive technical	13 – 24 Months	MCS, MP&I, MHR&A	Capital Projects	02. Organizational	TSO role not fully executed	01.Institutional Arrangements	5.Efficient business processes and systems	03.Low



#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	standards and specifications.	standards and specifications.								
51	The structure of the Planning & Investments department has bottlenecks in surveying, planning, standards, and specifications	Redesign the departmental to cope with increased workload;  Introduce Standards and specifications section; consider transfer of transport services to O&M	13 – 24 Months	MPI, MHR&A	Capital Projects	02. Organizational	Poor human resource practices	01.Institutional Arrangements	5.Efficient business processes and systems	02.Medium
52	Office space and equipment needs to be upgraded to meet the changing needs	Assign a team to review and re-design office space Acquire new office space	13 – 24 Months	MPI, MO&M, MHR&A	Capital Projects	02. Organizational	Poor human resource practices	01.Institutional Arrangements	5.Efficient business processes and systems	02.Medium
53	Weak contract management and monitoring and evaluation frameworks around RAP consultants	Insource RAP process management to a department within UETCL	0 - 12 Months	BOD MD/CEO	Capital Projects	02. Organizational	Inefficient wayleaves process	01.Institutional Arrangements	2.Accelerated grid infrastructure development and stimulation of demand	01.High
54	The use of RAP consultants is comparatively more expensive and less efficient	Conduct a study to benchmark against leading local practitioners (such as UNRA)	0 - 12 Months	BOD MD/CEO	Capital Projects	02. Organizational	Inefficient wayleaves process	01.Institutional Arrangements	2.Accelerated grid infrastructure development and	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	when benchmarked against leading local practice.	Insource RAP process management to a department within UETCL							stimulation of demand	
55	There is need for an enabling law to provide for compulsory land acquisition and providing for a detailed process of valuation, compensation, and dispute resolution	Expedite the passing of Compulsory Land Acquisition Bill into the Act	25 – 48 Months	MoFPED, MEMD, MLHUD, Parliament	Legal & Servitude Acquisition	01. Enabling Environment	Lack of enabling laws for land acquisition	02.Leadership	2.Accelerated grid infrastructure development and stimulation of demand	01.High
56	Delays in the RAP process and RAP conflicts	High level stakeholders engagement with external stakeholders to address issues of delayed valuation, compensation and titling process, having a focal point officer in each relevant office, timely attention to queries, notification of new changes and	13 – 24 Months	MLHUD, MJCA, RAP Representatives, Consultants, BOD, MD/CEO, CS	Legal & Servitude Acquisition	02. Organizational	Inefficient wayleaves process	02.Leadership	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		addressing issues of understaffing.								
57	Delays in the RAP process and RAP conflicts	Make land acquisition a fully-fledged department and an in-house job to address the gap created by external consultants in valuation, survey, and titling processes.	13 – 24 Months	ERA, BOD, MD/CEO, MHRA	Legal & Servitude Acquisition	02. Organizational	Inefficient wayleaves process	02.Leadership	2.Accelerated grid infrastructure development and stimulation of demand	01.High
58	RAP business processes of a Company is guided by public service rules which slows RAP and project execution	Review and streamline the rules and procedures for wayleaves acquisition and compensation in the governance framework	13 – 24 Months	MPI, MCS, MD/CEO, BOD	Legal & Servitude Acquisition	02. Organizational	Lack of business wide accountability mechanisms	01.Institutional Arrangements	2.Accelerated grid infrastructure development and stimulation of demand	02.Medium
59	Have fully and well facilitated CGV's office with established rates	Revamp of staff numbers and facilitate the office of CGV and amend the law to have all rates determined by this office	13 – 24 Months	MLHUD, MJCA, RAP Representatives, Consultants, BOD, MD/CEO, CS	Legal & Servitude Acquisition	02. Organizational	Inefficient wayleaves process	02.Leadership	5.Efficient business processes and systems	01.High
60	The planning period for the CBP	The planning period of the CBP	0 – 12 months	MD/CEO	Financial Management	02. Organizational	Lack of business wide	02.Leadership	3.Financial sustainability	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	(2019 – 2023) is not aligned with the NDP (2020 – 2024).	should be aligned with the NDP. This can be achieved by extending the current CBP to 2024.					accountability mechanisms			
61	There is no timeline set and followed in the preparation and approval of the CBP.	Set a timeline and programme for documentation, approval, and review of the CBP.	0 – 12 months	MD/CEO	Financial Management	02. Organizational	Lack of business wide accountability mechanisms	02.Leadership	3.Financial sustainability	01.High
62	The CBP is not costed and therefore it is unclear how resources are being allocated to the most important areas for the Company.	The CBP initiatives should be well costed and the CBP should have projected financial statements.	0 – 12 months	MD/CEO	Financial Management	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	3.Financial sustainability	02.Medium
63	The KPIs are mainly lagging (outcomes).	The CBP should focus on leading (driver) indicators as opposed to lagging (outcome) indicators.  The CBP should be focused on a few priority areas that the BOD	0 – 12 months	MD/CEO	Financial Management	02. Organizational	KPI are not linked to strategy	03.Knowledge	3.Financial sustainability	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		prioritized for achievement has focused on achieving over the planning period.								
64	There is misalignment between the goals set by the shareholder and those set by the BOD.	One set of goals should be agreed between the shareholder and the BOD. This will be a negotiation process which should end with clarity on the target goals.	13 – 24 Months	MD/CEO	Financial Management	02. Organizational	KPI are not linked to strategy	04.Accountability	3.Financial sustainability	02.Medium
65	Revenue generation (Sales/NCA) capacity of the NCA has been falling over the years from 94% in 2014 to 43% in 2018.	Include financial evaluation within the project evaluation criteria through metrics such as NPV and payback period.	13 – 24 Months	MOFPED BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak financial management practices	04.Accountability	3.Financial sustainability	02.Medium
66	The Company continues to two significant non-value adding costs (costs that do not contribute or erode shareholder value). These are bad debt	Options for removing deemed energy charges from the Company should be investigated. An option would be to improve capacity planning, PPA	13 – 24 Months	MOFPED BOD MD/CEO MFAS	Financial Management	01. Enabling Environment	Weak financial management practices	01.Institutional Arrangements	3.Financial sustainability	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	provisions (18% of opex) and deemed energy charges (14% of opex).	improvements and transfer of deemed energy directly to MEMD. Bad debts provisions can be significantly reduced by removal of liability for MDA default from UETCL.								
67	The Company is significantly impacted by currency risk owing to its significant holding of foreign currency denominated assets and liabilities.	Look into long term hedging mechanisms with the Government of Uganda. Part of this mechanism could be the transfer of foreign exchange risk to the GOU.	13 – 24 Months	MOFPED BOD MD/CEO MFAS	Financial Management	01. Enabling Environment	Weak financial management practices	01.Institutional Arrangements	3.Financial sustainability	01.High
68	Increasing debt burden: gearing ratios have been growing significantly and remain above the internal thresholds of 50%.	Set new parameters for gearing ratios for the Company and increase GOU equity contribution in the Company.	13 – 24 Months	MOFPED BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak financial management practices	01.Institutional Arrangements	3.Financial sustainability	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
69	Increasing debt burden - Gearing ratios have been growing significantly and remain above the internal thresholds of 50%.	MEMD and UETCL should investigate the full-scale impact (cost benefit analysis) of whether the country would be better served by an increased debt burden (with the related servicing obligations) or by a cost reflective tariff	25 – 48 Months	MOFPED BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak financial management practices	01.Institutional Arrangements	3.Financial sustainability	01.High
70	The net working capital days of 27 compare negatively with comparable Company sizes. Recent working capital studies put the average at 88 days.	Management should continue with engagement with ERA and Umeme to ensure that the customer payment period is always within 45 days. Specific focus should be placed on aligning the late payment interest between energy sales and purchases. Punitive clauses (such as the deferring the responsibility of	13 – 24 Months	BOD MD/CEO MFAS	Financial Management	01. Enabling Environment	Weak financial management practices	02.Leadership	3.Financial sustainability	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		MDA default) to UETCL should be removed through policy correction.								
71	Since the FPPM was approved seven years ago and changes to the operating environment have not been fully incorporated into the FPPM	Training on the FPPM (and all internal policy documents) should be approved and included in the annual training plan. The FPPM should be updated to indicate the current operating environment.	0 – 12 months	MFAS	Financial Management	02. Organizational	Weak financial management practices	03.Knowledge	3.Financial sustainability	02.Medium
72	There is indirect alignment between the annual and multi-year budget and the strategic focus areas.	Recast future annual and multi-year budgets to clearly indicate the amounts of capex and opex that have been earmarked for each of the strategic focus areas.	25 – 48 Months	BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak financial management practices	03.Knowledge	3.Financial sustainability	02.Medium
73	There is indirect alignment between the annual and multi	Adopt rolling annual budgets following the	13 – 24 Months	BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak financial management practices	03.Knowledge	3.Financial sustainability	02.Medium



#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	year budget and the strategic focus areas.	approval of the multi-year budget.								
74	The budgets are missing material assumptions around bad debts and currency risk.	Include relevant assumptions and projection on all aspects of the balance sheet and profit or loss statement while preparing the annual and multi-year budget.	13 – 24 Months	BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak financial management practices	02.Leadership	3.Financial sustainability	02.Medium
75	Budget preparation is done primarily with BIS which is not seamlessly integrated with the ERP.	Modern automated budgeting tools are mostly embedded within the ERP and can stress-test multiple scenarios and assumptions. This should be set a requirement for the proposed ERP.	13 – 24 Months	BOD MD/CEO MFAS	Financial Management	02. Organizational	Low levels of technology enablement	03.Knowledge	5.Efficient business processes and systems	03.Low
76	Budget execution and monitoring follow both automated checks and approval on physical forms - which is both	An automated budgeting tool will help the Company get the flexibility to revise forecasts as market factors change and impact	13 – 24 Months	BOD MD/CEO MFAS	Financial Management	02. Organizational	Low levels of technology enablement	03.Knowledge	5.Efficient business processes and systems	03.Low

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	inefficient and introduces significant paperwork.	original budgeting assumptions.								
77	The ERA approved budget sometimes means that certain programmes of the Company will not be funded by the tariff.	Continue with ERA engagements to align the reporting dates in the energy supply industry.  UETCL should lobby for more control over its utilisation of profits from its operations.	13 – 24 Months	BOD MD/CEO MFAS	Financial Management	01. Enabling Environment	Inadequate of financial resources to implement strategy	01.Institutional Arrangements	3.Financial sustainability	02.Medium
78	The ERA approved budget sometimes means that certain programmes of the Company will not be funded by the tariff.	UETCL should actively source for grants for its programmes to reduce reliance on ERA approvals. This role could be delegated to the Commercial Unit and can focus on areas such as capacity building.	25 – 48 Months	BOD MD/CEO MFAS	Financial Management	01. Enabling Environment	Inadequate of financial resources to implement strategy	01.Institutional Arrangements	3.Financial sustainability	01.High
79	No annual report has been published since December 2015.	Prioritise the production of the FY20 annual report and set a	0 – 12 months	MD/CEO MFAS CS	Financial Management	02. Organizational	Weak financial management practices	03.Knowledge	3.Financial sustainability	03.Low

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		calendar for production of annual reports with delegated officers within the Company.								
80	Financial reports are prepared using MS Excel.	Fast track the deployment of the ERP solution and ensure reporting capabilities are built within the scope	25 – 48 Months	MD/CEO MFAS CS	Financial Management	02. Organizational	Low levels of technology enablement	04.Accountability	5.Efficient business processes and systems	02.Medium
81	Monthly period close and reporting is not adhered to as stipulated in the FPPM.	Improvement can be made in the reporting date – leading organisations are producing management reports within 5 days of the period end.	0 – 12 months	MD/CEO MFAS CS	Financial Management	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	5.Efficient business processes and systems	02.Medium
82	There is need to enhance finance business partnership with a focus on such areas as O&M, ICT, Human Resources and Corporate Services.	Enhance the finance structure to build finance business partnership across all areas of the Company such as O&M, ICT, Human Resources and	13 – 24 Months	MD/CEO MFAS CS	Financial Management	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	3.Financial sustainability	03.Low

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		Corporate Services.								
83	The Company does not have an updated and current Enterprise Risk Register which calls into question whether its following risk based internal audit.	Document and regularly (quarterly) update the Enterprise Risk Register.	0 – 12 months	BOD MD/CEO MFAS MIA CS	Financial Management	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	3.Financial sustainability	01.High
84	The annual audit plan is regularly changed based on the need for special investigations – which whereas important may not have the same impact as the severe risks that would be contained on the risk register.	The BOD should focus on closing the annual audit plan prioritising this over special audits and reviews.	0 – 12 months	BOD MD/CEO MFAS MIA CS	Financial Management	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	3.Financial sustainability	02.Medium
85	The Company has long standing issues from both the internal and external audit reports. Delay or	Important audit findings should be prioritized, timetabled, and closed in a timely manner.	0 – 12 months	BOD MD/CEO MFAS MIA CS	Financial Management	02. Organizational	Lack of business wide accountability mechanisms	04.Accountability	3.Financial sustainability	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	failure to implement agreed actions arising from audit findings expose the organisation to risk.	The Internal Auditor should report on a regular basis on the status of external audit fin								
86	Project financial management could be enhanced by advanced project planning.	Management should implement advanced project planning for the execution of projects. This should cover areas such as pre-commencement planning and tax risk featuring in the risk assessment.	13 – 24 Months	MPI MFAS MCS PPA	Financial Management	02. Organizational	Weak financial management practices	04.Accountability	3.Financial sustainability	03.Low
87	The issue of escalating project costs has been highlighted by External Audit.	Close checks must be maintained for project finances with unforeseen escalations being approved and the overall project budget being amended.	13 – 24 Months	MPI MFAS MCS PPA	Financial Management	02. Organizational	Weak financial management practices	04.Accountability	3.Financial sustainability	02.Medium
	PDU involvement in project delivery is more of a	The PDU should be engaged at all stages of the	0 – 12 months	MPI MFAS	Financial Management	02. Organizational	Weak procurement practices	01.Institutional Arrangements	3.Financial sustainability	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	service provider as opposed to a strategic partner.	projecting right from pre-commencement planning to execution.		MCS PPA						
89	There is a need to enhance the quality of EPC contractors and consultants as some have caused financial loss to the Company.	EPC contractors and consultants should all have bid bonds and performance guarantees executed by commercial banks to starve of financial loss from working with poor quality contractors. These bonds and guarantees must be diarized to ensure they remain up to date.	0 – 12 months	MPI MFAS MCS PPA	Financial Management	02. Organizational	Weak procurement practices	04.Accountability	3.Financial sustainability	02.Medium
90	The low thresholds for procurement approval made the BOD operational.	Adjust the approval levels to engage the BOD on strategic procurement. A rule of thumb for measuring materiality is to consider 1% of	0 – 12 months	BOD MD/CEO MFAS MPD	Financial Management	02. Organizational	Weak leadership structures	02.Leadership	3.Financial sustainability	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		revenue (UGX 11bn for 2019).								
91	The efficiency could be greatly impacted by technology enabled process flow and B2B solutions.	Automate procurement with a technology enabled process flow and B2B solution.	13 – 24 Months	BOD MD/CEO MFAS MPD	Financial Management	02. Organizational	Low levels of technology enablement	03.Knowledge	3.Financial sustainability	03.Low
92	The Company has no Procurement Manual in place – but development is underway.	The Company needs to expedite the ongoing development of a Procurement Manual. In developing this manual, all procurement processes should be mapped and timed with clear escalation set to manage the delays. The Manual should focus on reducing the complexity and length of the procurement process.	0 – 12 Months	BOD MD/CEO MFAS MPD	Financial Management	02. Organizational	Weak procurement practices	02.Leadership	3.Financial sustainability	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
93	The effective interest rate on some of the partner financing is tethering on commercial interest rates.	MOFPED should renegotiate the loan interest of the AFD loan using its positional bargaining and interest-based strategy strategies. Before the signing of the loans, the real cost of the loans should be determined.	13 - 24 Months	MOFPED BOD MD/CEO MFAS	Financial Management	01. Enabling Environment	Weak financial management practices	04.Accountability	3.Financial sustainability	02.Medium
94	Procurement and RAP guidelines included in the development partner support agreements are not adequately reviewed before the borrowing decisions.	Management is already involved in the execution of borrowing agreement but should play a greater role to either negotiate out or plan for clauses or guidelines that could negatively impact on project implementation.	0 – 12 months	MOFPED BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak procurement practices	03.Knowledge	3.Financial sustainability	02.Medium
95	The effective cost of borrowing does not feature in Management and BOD reporting.	Management should include the effective cost of borrowing in Management and BOD reporting and	0 – 12 months	MOFPED BOD MD/CEO MFAS	Financial Management	02. Organizational	Weak financial management practices	03.Knowledge	3.Financial sustainability	03.Low



#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		adopt measures such as Economic Value Added (EVA).								
96	UETCL needs to engage ICT leadership in strategic business decision making including assigning business objectives to ICT leadership team to ensure equal stake in business goals delivery	Position ICT as a business enabler. Assign ICT a top management seat Add KPI to measure ICT Business Enablement: 1. Number of new or improved business opportunities leveraging technology 2. Cost savings by leveraging technology initiated by ICT department 3. Revenue generated by leveraging technology initiated by ICT department 4. UETCL Leveraging technology for competitive	13 – 24 Months	MD/CEO BOD MD/CEO BOD	IT Systems	02. Organizational	Weak leadership structures	02.Leadership	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		advantage 5. UETCL considered a technology leader in the industry								
97	ICT operations are too dependent on external support and solutions limiting opportunity for creating synergies for delivery of custom solutions development to scale the digitization landscape at UETCL	Help the ICT team understand the business, competitors, customers including critical end users, opportunities, and challenges to enable them to develop innovative solutions. Train ICT team on ITIL	0 – 12 months	MD/CEO BOD MD/CEO MICT	IT Systems	02. Organizational	Poor human resource practices	03.Knowledge	5.Efficient business processes and systems	02.Medium
98	The ICT strategy alone might not deliver digital transformation across the business. There is need of creating synergies for larger digital footprint. Opportunities to implement advanced	Prepare UETCL for digital transformation Create a digital strategy Assess impact, adaptability, and business value of newer technologies Pilot cutting edge technologies Open WIS to the	0 – 12 months	MD/CEO MICT MICT MICT MICT BOD MD/CEO MICT	IT Systems	02. Organizational	Low levels of technology enablement	03.Knowledge	5.Efficient business processes and systems	02.Medium

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	technologies such as predictive analytics, internet of things (IoT), and artificial intelligence (AI) should be prioritized as such technologies are key ingredients for projects in the ICT Strategy 2019/20 - 2023/24 such as automated meter reading system.	public to submit PAPs applications online Create WIS mobile device integration to extend the application to the field								
99	The implementation of an ERP system presents opportunity to integrate standalone ICT systems. Tier 1 ERP systems include several enterprise business applications.	Review, update, and signoff of future business process maps, functional, technical and infrastructure requirements before the tendering process.	0 – 12 months	MD/CEO MICT	IT Systems	02. Organizational	Low levels of technology enablement	01.Institutional Arrangements	5.Efficient business processes and systems	01.High
100	Lack of an enterprise business process model	Prepare a high-level context diagram showing the major business process areas or	0 – 12 months	MD/CEO MICT	IT Systems	02. Organizational	Lack of business wide accountability mechanisms	01.Institutional Arrangements	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
		core processes, and the information flows between them. This should be performed before kickoff of ERP implementation.								
101	WIS users are faced with PAPs document storage and search challenges. There is need to integrate WIS with DMS system for advanced document workflow management and approvals, strong search capabilities, tracking, and notification functions	Integrate WIS with the document management system	0 – 12 months	MICT	IT Systems	02. Organizational	Low levels of technology enablement	01.Institutional Arrangements	5.Efficient business processes and systems	02.Medium
102	UETCL grid infrastructure is fast growing in expanse and complexity but operating on an old system that was provided	Upgrade SCADA System Integrate GIS with SCADA	13 – 24 Months	BOD MD/CEO MICT	IT Systems	02. Organizational	Low levels of technology enablement	01.Institutional Arrangements	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	around 2003. The SCADA system has reached its limit in terms of capacity, has no back-up National Control Centre (NCC) with old ICT infrastructure that has reached its end of life.									
103	The current free helpdesk system is not archiving much in terms of functionality and use there is an urgent need for an enterprise level help desk system to support UETCL enterprise IT operations.	Implement an enterprise IT help desk system	13 – 24 Months	MICT	IT Systems	02. Organizational	Low levels of technology enablement	03.Knowledge	5.Efficient business processes and systems	01.High
104	The existing Core network cabling and infrastructure is aged, does not meet current computing standards, and needs a revamp. For effective network	Revamp Core Network infrastructure Increase the wireless network footprint. Improve cable quality across all network locations Deploy a Data	0 – 12 months	MD/CEO MICT	IT Systems	02. Organizational	Low levels of technology enablement	01.Institutional Arrangements	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	performance improvement should be extended to Substations and the Power Control Centre. Wireless networks help to relieve cabling efforts and reduce point of failures.	Centre monitoring tool								
105	The computing infrastructure including servers, storage, and backup systems in the Data Centre are aged and unable to support the new Business and ICT Strategy.	Implement Hyper-converged infrastructure Upgrade fire suppression, cooling, and power backup systems	13 – 24 Months	MD/CEO MICT	IT Systems	02. Organizational	Low levels of technology enablement	01.Institutional Arrangements	5.Efficient business processes and systems	01.High
106	There is contention regarding ERP system hosting with UETCL preferring own data Centre and NITA recommending their data centre	Determine ERP hosting	0 – 12 months	MD/CEO MICT	IT Systems	02. Organizational	Low levels of technology enablement	01.Institutional Arrangements	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
107	The ERP project is still in planning phase with key document including Functional, Technical and Hardware Requirements determined, business processes mapped, feasibility study completed, and ERP advisory consultant sought. It is time to kick start change management efforts, appoint a project Steering Committee, Project Manager, and project team.	Assign an ERP Project Steering Committee, ERP project manager, project team. Assign a Change management Consultant Kick-off change management activities Select a project management framework or use combination of frameworks - choose your way of working.	0 – 12 months	BOD MD/CEO	IT Systems	02. Organizational	Weak leadership structures	01.Institutional Arrangements	5.Efficient business processes and systems	01.High
108	There is urgent need to upgrade the business continuity infrastructure to perform physical and virtual environment	Update the IT Business Continuity Plan Upscale the Disaster Recovery Site Perform application-level recoverability	0 – 12 months	BOD MD/CEO	IT Systems	02. Organizational	Low levels of technology enablement	03.Knowledge	5.Efficient business processes and systems	01.High

#	Capacity Development Needs	Suggested Interventions and Prioritisation	Priority	Responsible Actors	Thematic Area	Point of Entry	Gap	Core Issues	Strategic Objective	Ranking
	backup and recovery	testing and validate compliance with RTOs and RPOs Enable protection for physical and virtual, and SaaS environments								
109	Insufficient financial resources to implement ICT strategy initiatives	Prioritise financing of key ICT projects	13 – 24 Months	MD/CEO MICT	IT Systems	02. Organizational	Inadequate of financial resources to implement strategy	01.Institutional Arrangements	5.Efficient business processes and systems	01.High



## **Annex II: List of consulted Stakeholders /Respondents**

The following institutions and highlighted individuals were engaged in the Capacity Assessment:

### **Internal Stakeholders**

#### *UETCL Board of Directors*

<b>Title</b>	<b>First Name</b>	<b>Last Name</b>	<b>Email</b>
Mr.	Peter	Ucanda	
Mr.	Nicholas	Oluka	
Eng.	Abdon	Atwine	a.atwine@energy.go.ug
Mr.	John	Genda Walala	
Mrs.	Sarah	Muhumuza	
Mr.	Christopher	Mugisha	cmugisha@perd.go.ug
Mr.	Gideon	Gariyo Mugisha	gideon.gariyo@finance.go.ug

#### *UETCL Management and Selected Staff Members*

<b>Title</b>	<b>First Name</b>	<b>Last Name</b>	<b>Designation</b>	<b>Email</b>
Mr.	George	Rwabajungu	MD/CEO	george.rwabajungu@uetcl.com
Eng.	Valentine	Katabira	Dep CEO	valentine.katabira@uetcl.com
Mrs.	Georgina	Musisi	Company Secretary	georgina.musisi@uetcl.com
Eng.	Richard	Masiko	Manager Operations & Maintenance	richard.masiko@uetcl.com
Eng.	Boneventura	Buhanga	Manager Planning & Investments	boneventura.buhanga@uetcl.com
Eng.	William	Nkemba	Manager Projects Implementation	william.nkemba@uetcl.com
Mr.	Martin	Erone	Manager Corporate Services	martin.erone@uetcl.com
Mr.	Peter	Igibolu	Manager Information & Communications Technology	peter.igibolu@uetcl.com
Mr.	Frederick	Zesooli	Manager Human Resources & Administration	Frederick.zesooli@uetcl.com
Mr.	Edward	Muganyizi	Manager Internal Audit	edward.muganyizi@uetcl.com
Mrs.	Carol	Ssembajjwe	Senior Accountant Budget & Final Accounts	carol.nansumba@uetcl.com
Mr.	Emmanuel	Owiny	Principal Disbursements & Stores Officer	emmanuel.owing@uetcl.com
Mr.	Ronald	Kajjabaga	Financial Accountant - Final Accounts	ronald.kajjabaga@uetcl.com
Mr.	Francis	Nteza	Principal Budget & Financial Officer	francis.nteza@uetcl.com

Title	First Name	Last Name	Designation	Email
Mr.	Karim	Jumba	Principal Information Technology Officer	karim.jumba@uetcl.com
Mr.	Mohamed	Sebugenyi	Principal Control Engineer	mohamed.sebugenyi@uetcl.com
Mr.	Jimmy	Kironde	Senior Control Engineer (Hardware)	jimmy.kironde@uetcl.com
Mrs.	Florence	Mayanja	Projects Community Liaison Officer	florence.mayanja@uetcl.com
Mr.	Godfrey	Okoth	Projects Information Officer	godfrey.okoth@uetcl.com
Ms.	Lydia	Adur	Project System Officer	lydia.adur@utecl.com
Ms.	Gertrude	Akello	Senior Human Resource Officer	gertrude.akello@uetcl.com
Ms.	Irene	Adunge	Accountant Payroll & Payables	irene.adunge@uetcl.com
Ms.	Patricia	Bekunda	Projects Community Liaison Officer	patricia.bekunda@uetcl.com
Mr.	Godfrey	Rwatooro	Principal Projects Accountant	godfrey.rwatooro@uetcl.com
Mr.	Herbert	Opolot	Principal Procurement Officer	herbert.opolot@uetcl.com
Mr.	Jenkins	Miir	Principal Revenue & Statistics Officer	jenkins.miir@uetcl.com
Ms.	Susan	Kisakye	Human Resource Officer	susan.kisakye@uetcl.com
Ms.	Olive Christine	Ninsiima	Human Resource Officer	olive.ninsiima@uetcl.com
Mrs	Margaret	Kahuma	Senior Staff Development & Training Officer	margaret.kahuma@uetcl.com
Mrs.	Miriam	Nambi Koolya	Principal Administration Officer	miriam.nambi@uetcl.com
Mr.	Jamil	Kalema	Training Assistant	jamil.kalema@uetcl.com
Ms.	Edith	Mukama	Senior Administration Officer	edith.mukama@uetcl.com
Ms.	Jacquiline	Akello	Principal Human Resource Officer	jacquiline.akello@uetcl.com
Mr.	Edward	Mutesa	Principal Projects Officer - Social Aspects	edmutesa99@gmail.com

### **External Stakeholders**

Organisation	Title	First Name	Last Name	Email
Bank of Uganda	Mrs.	Carol	Asimwe	crasiimwe@bou.or.ug
	Mr.	Denis	Lwamafa	dlwamafa@bou.or.ug
	Mrs.	Doreen	Rubatsimbira	dkrubatsimbira@bou.or.ug
	Mrs.	Evace	Byabazaire	ebyabazaire@bou.or.ug

Organisation	Title	First Name	Last Name	Email
	Mr.	Michael	Tukacungurwa	mtukacungurwa@bou.or.ug
	Mr.	Moses	Kwesiga	mkwesiga@bou.or.ug
	Mr.	Solomon	Kavuma	skavuma@bou.or.ug
Bujagali Energy Ltd	Eng.	Francis	Mwangi	fmwangi@bel.co.ug
	Mr.	John	Berry	jberry@bel.co.ug
	Eng.	Juan	Espinosa	jespinosa@bel.co.ug
Electricity Regulatory Authority	Mr.	Daniel	Muttu	d.muttu@era.or.ug
	Mr.	Daniel	Oluga	d.oluga@era.or.ug
	Mr.	Isaac	Kinhonhi	i.kinhonhi@era.or.ug
	Dr.	Richard	Okou	r.okou@era.or.ug
	Eng.	Ziria	Tibalwa	z.tibalwa@era.or.ug
Eskom Uganda	Mr.	Edmund	Amanyire	edmund.amanyire@eskom.co.ug
	Eng.	Luvuyo	Feni	luvuyo.feni@eskom.co.ug
	Mr.	Nobert	Jiga	nobert.jiga@eskom.co.ug
	Mr.	Peter	Ladu	peter.ladu@eskom.co.ug
	Mr.	Peter	Tentena	peter.tentena@eskom.co.ug
	Mr.	Richard	Asaba	richard.asaba@eskom.co.ug
	Ms.	Thozama	Gangi	thozama.gangi@eskom.co.ug
KfW	Mr.	Ambrose	Kamukama	Ambrose.Kamukama@kfw.de
	Mr.	Georg	Gruener	Georg.Gruener@kfw.de
	Mr.	Stefan	Bolle	Stefan.Bolle@kfw.de
NITA-U	Mr.	Emmanuel	Mugabi	emmanuel.mugabi@nita.go.ug
MEMD	Eng.	Moses	Murengezi	mmurengezi@gmail.com
	Eng.	Edward	Baleke	balekessekulima@gmail.com
UEDCL	Mr.	Boniface	Barongo	barongo@uedcl.com
	Eng.	Franklin	Oidu	oidu@uedcl.co.ug
	Mr.	Jonan	Kiiza	jonan.kiiza@uedcl.co.ug
	Mr.	Paul	Mwesigwa	mwesigwa@uedcl.co.ug
Umeme	Mr.	Blessing	Nshaho	blessing.nshaho@umeme.co.ug
	Mr.	Selestino	Babungi	selestino.babungi@umeme.co.ug
	Mr.	Simbiso	Chimbima	simbiso.chimbima@umeme.co.ug
UNRA	Mr.	Ian	Bakiza	ian.bakiza@unra.go.ug
	Mr.	Abbot	Naturinda	abbot.naturinda@unra.go.ug
	Mr.	William	Matovu	william.matovu@unra.go.ug
World Bank	Mr.	Patrick	Mwesige	mwesigepj@gmail.com
	Mr.	Paul	Bariganire	pbariganire@worldbank.org
MLHUD	Mr.	John	Karuhanga	
	Mr.	Joseph	Kibande	
	Mr.	Kato	Magembe	
CGV	Mr.	Kato	Magembe	
Solicitor General/ Attorney General	Mr.	Fadhil	Mawanda	
MoFPED	Mr.	Christopher	Mugisha	cmugisha@perd.go.ug

## Annex III: List of References

Topic	Reference
Benchmarking	Benchmarking Analysis of the Electricity Distribution Sector in the Latin American and Caribbean Region (Andres et.al 2005)
	KETRACO Annual Report – 2018
	STATNET Annual Report – 2019
	www.statnett.no
Budgeting	Best practice in the budget and planning process (Lanzkron, 2017)
Compliance	The compliance journey (KPMG, 2017)
Debt Vulnerabilities	Debt Vulnerabilities in Developing Countries: A New Debt Trap? (UNCTAD, 2017)
Electricity Regulation	Electricity Regulation Index for Africa (AFDB, 2018)
Internal Audit	Risk based internal auditing (IIA, 2014)
Loan / Grant Negotiation	Guidelines for Loan/Grant Negotiations in Government (MoFPED, 2018)
Loan / Grant Negotiation	UN Financing for Development negotiations (UN, 2017)
Macro-Economic Statistics	<a href="https://www.bou.or.ug/">https://www.bou.or.ug/</a>
Sustainability Guideline	Sustainability Guideline: Assessment and management of Environmental, Social, and Climate Aspects: Principles and Procedures (KfW Development Bank, 2019)
Working Capital Management	An Assessment of the Strategy of Working Capital Management in Polish Energy Companies (Grzegorz, 2019)
Power Purchase Agreements	Understanding Power Purchase Agreements (World Bank, 2016)
Capacity Assessment	Hashemite Kingdom of Jordan Institutional Financial Management Capacity Assessment (IFMCA): Education and Social Development Sectors (World Bank, 2016)
Power Sector Reform	Rethinking Power Sector Reform in the Developing World (World Bank, 2020)
UETCL Salary and Benefits	Salary and Benefits Survey Report (PwC, 2015)
Job Analysis and Evaluation	Job Analysis and Job Evaluation Report (AH Consulting, 2018)
Project Management	A Guide to the Project Management Body of Knowledge (PMI USA,), 5th edition
Process Review	Mapped Work Processes
Functional and Technical Requirements	ERP Core requirement
Infrastructure Study	ERP Hardware Requirements
ERP Feasibility Study	Contract for consultancy services for UETCL's digitalization Project
	2020 Clash of the Titans – Panorama Consulting Group
	UETCL ERP Feasibility Report
	Corporate Business Plan 2014-2018
	Corporate Business Plan 2019-2023
	National Development Plan II (NDP II)
	National Development Plan III (NDP III) 2020 – 2025

<b>Topic</b>	<b>Reference</b>
Performance	UETCL Grid Development Plan 2015-2030
	UETCL Grid Development Plan 2018-2040
	National Energy Policy
	UETCL Capex Program governance framework
	UETCL Project Management framework
	Project Files (5 sample completed projects)
	UETCL Standards Manual & Quality Management framework
	UETCL budgeting framework
	External Audit Report 2018 – 2019
	Management Letter 2018 – 2019
	Latest Value for Money Audits
	<a href="https://earthdata.nasa.gov/worldview/worldview-image-archive/lake-victoria-africa">https://earthdata.nasa.gov/worldview/worldview-image-archive/lake-victoria-africa</a>
	<a href="https://earthobservatory.nasa.gov/features/Victoria">https://earthobservatory.nasa.gov/features/Victoria</a>
	<a href="https://www.oceandocs.org/">https://www.oceandocs.org/</a>
<a href="https://nilebasin.org/">https://nilebasin.org/</a>	
ICT Governance	Information and Communications Technology Strategy Plan 2015 – 2019
	Information and Communications Technology Policy and Procedure Manual
	Information and Communications Technology Work Plan 2019, 2018, 2017, 2016, 2015
	Organisation Chart ICT 2020
ERP Project	Summary ERP Implementation work plan
Audit and Compliance	Latest Internal Audit Report on Finance, Project Planning and Project Implementation
	Latest Internal Audit Report on Information and Communications Technology
	Annual Performance Report 2019, 2018, 2017, 2016, 2015
	UETCL Annual Operational Plan and budget 2019, 2018
	Latest reports from Tax Auditors / Accountants
	UETCL Finance Policies and Procedures Manual
	Membership and mandate of the Energy and Mineral Development Sector Working Group
	Minutes of the Finance Committee of the Board 2019
	Results of annual internal and external stakeholder surveys
	Minutes of the Finance, Accounts and Sales quarterly departmental meetings minutes for 2019
	Human Resource Management Strategy/ Talent Management
Audit and Compliance	Human Resource Management Manual
	Corporate KPIs Document (BSC with 18 KPIs)
	Detailed Organogram/ Structure
	Staff List (Summary Profiles)
	HR Processes (Recruitment – Exit)
	Training Plan/ Calendar (Last 2 years)
	Performance Management Tool/ Systems
Reward and Recognition Policy	

Topic	Reference
	Succession Planning Policy
	UETCL Health and Safety policy 2019
	Draft Energy Policy (Proposed)
	Draft Electricity Act (Proposed)
	UETCL Memoranda and Articles of Association
	Company Act 2012
	PPDA Act 2003
	The Cloud Computing Guidelines for GoU
	National information security framework assessment
	Internal Audit Report - 3rdQuarter, 2017/18
	IT RISK Register
	UETCL Risk management policy statement

## Annex IV: Comprehensive Data collection Tools

### Introduction

My name is \_\_\_\_\_ I am conducting an Institution Capacity Assessment widely accepted within the Company. I request for your participation in this exercise. All information shared with me/ us shall be treated with utmost confidentiality.

Thank you in advance for your cooperation.

### Section One: Legal and Institutional Framework

#	Question	Interviewee
1.	Where does UETCL derive her legal mandate?	Company Sec
2.	How does the Company ownership and regulation affect its capacity to achieve her mandate	Co. Sec
3.	What are the strong legal foundations within the law that can be enhanced to enable the Company to achieve her mandate	Co. Sec
4.	Does the law that establishes and governs the operation of the Company affect its capacity to deliver her mandate?	Co. Sec
5.	What proposed reforms within the law would enable the Company to attain the necessary capacity to achieve her mandate?	Co. Sec
6.	What is the composition and selection procedure of the Board?	Co. Sec and Board
7.	Does the selection procedure of the Board guarantee its independence and efficiency?	Co Sec and Board
8.	What is the selection procedure of the committees of the Board, who sets their ToRs and their outputs?	Co Sec and Board
9.	Is the Board selection and composition well equipped to perform its oversight role?	Co Sec and Board
10.	What are the existing strengths of the Board composition to enable it to achieve its oversight role?	Co Sec and Board
11.	What are existing weaknesses/gaps that need enhancement to make the Board more efficient in performing its roles?	Co Sec and Board
12.	What are the existing structures and mechanisms within the Board that enables it deliver on its roles?	Co Sec and Board
13.	How often does the Board hold meetings and how does it affect its role in taking key decisions?	Co Sec and Board

### Assessing Process, People and Systems

1.	Which role does your office play in way leaves acquisition? Project Implementation	D/CEO, Corporate Services,
2.	Which critical steps does the way leaves acquisition go through from commencement to closure of projects?	Corp Services, Project Implementation
3.	What are key offices and officers that handle the acquisition process and their key competences?	D/CEO, Co Services and Project Implementation
4.	Who are the stakeholders and their roles in determining way leaves acquisition process?	D/CEO, Co services and Project Implementation
5.	How do the respective stakeholders enhance/undermine the effectiveness of way leaves acquisition process?	Corp Services and Project Implementation
6.	What are key factors that are considered before undertaking the Way leaves acquisition	Corp Services and Project Implementation

7.	How are existing land laws, systems and policies enhance the way leaves acquisition process?	Corp Services and Project Implementation
8.	What are the key gaps/weaknesses within the land laws/policies that affect the acquisition process?	Corp Services and Project Implementation
9.	What are the key reforms that can be undertaken to enhance the acquisition process?	Corp Services
10.	Is the Company well equipped technically and numerically to handle the acquisition and resettlement processes?	Corp Services
11.	What changes would be undertaken to enhance the acquisition and resettlement process?	Corp Services and Project Implementation
12.	Who sets and assess the KPIs in the acquisition and resettlement process?	Corp Services and Project Implementation
13.	What would be critical changes within the institutions that deal with the acquisition and resettlement processes to enhance the processes?	Project Implementation
14.	How and who determines the valuation rates in the acquisition and resettlement process?	Project Implementation
15.	What are key factors that delay the acquisition and resettlement process?	Project Implementation
16.	What are the dispute resolutions mechanisms in place to handle the acquisition and resettlement process?	Project Implementation
17.	What would be the recommended dispute resolutions to be put in place to enhance better and timely dispute resolution?	Project Implementation
18.	What are the legal approvals and from whom does the acquisition and resettlement processes go through?	Corp services and Project Implementation
19.	How do the legal approvals promote/delay the Acquisition and resettlement processes?	Corp Services and Project Implementation
20.	How would the approval process be enhanced to promote efficient and timely acquisition and resettlement process?	Corp Services and Project Implementation

### Valuation rates

1.	Do you have a standard valuation rates system in place?	1=Yes 2=No 3=Not sure
2.	Who determines the final valuation rates?	
3.	Does your Company have the necessary valuation skills for acquiring way leave	1=Yes 2=No 3=Not sure
4.	Do you have conflict resolution system during valuation process	
5.	Do you have independent valuers for way leave and resettlement projects?	1=Yes 2=No 3=Not sure

### Assessing the Design and Structure



#	Question	Response
1.	Do you have any one in charge of the Way Leave Acquisition activities in the Company?	1=Yes 2=No 3=Not sure
2.	Whom does he/she report to?	1=Executive director 2=Department Head
3.	Do you have an acquisition information system?	1=Yes 2=No 3=Not sure
4.	If yes, is there any information associated with the way leave acquisition system?	
5.	Is the acquisition information system formalized in a written document - e.g. an operating manual?	1=Yes 2=No 3=Not sure

### Project Affected Persons Analysis

1.	Have you been affected by the way leave/transmission line project as a landowner?	
2.	Where and how have you been affected?	
3.	What is the nature of land ownership was affected	1.Mailo land 2. Freehold 3.Leasehold 4. Customary 5. any other (specific interest)
4.	Were you compensated for the affected land?	
5.	How long did it take for the compensation process to be completed?	
6.	Which nature of compensation did you receive?	1.financial 2. resettlement 3. any other specify
7.	Were you satisfied with the compensation process?	1.Yes 2. No 3. Not sure
8.	If 7 is no, why?	
9.	Were you sensitised about the process before?	
10.	Whom did you get the information about the acquisition and compensation process?	
11.	Was the compensation given fair to you?	
12.	If 11 is no, why do you think it was unfair?	
13.	What do you think should have been done to manage the process better?	
14.	What was the overall impact of the project to you?	

#	Question	Response
1.	What is the motivation of the Company for institution capacity assessment?	
2.	Are you involved in the process of way leave acquisition?	
3.	How will you benefit from this assessment?	

#	Questionnaire	Response
1.	Does your Company have the technical skills in way leave acquisition process?	1=Strongly agree 2=Agree 3=Disagree 4=Strongly disagree
2.	Does your Company have the managerial skills in way leave acquisition?	
3.	Does your Company have a department to deal with way leave acquisition?	
4.	Does your Company have enough field offices or branches in the country for Way leave acquisition?	1=Yes 2=No 3=Not sure
5.	How many way leaves acquisition staff? Full time part-time	
6.	If yes, where are they located?	
7.	How many staff members does your Company have? Kindly provide us with your Company operation structure?	
8.	What is the source of funding for way leave acquisition projects?	
9.		
10.	What determines the size of budget for way leave acquisition?	
11.	Does the budget size affect the timelines for way leave acquisition?	

### Assessing the Existing Institution Capacity Tools

#	Does your Company have existing tools for assessing corporate and individual performance? (These can be multiple responses)	
At the Board/ strategic level		
1.	Tools for assessing capital projects management	1.Strategic Plan 2.Operational plan 3.Annual Work plan 4.Annual Budgets 5. Others (Mention)
2.	Frequency of assessing performance	1. Monthly 2.Quarterly 3.Bi-annual 4.Annual 5.Others (Mention)
3.	How is the performance assessed?	
4.	Who participates in this assessment?	
5.	Which kind of information is generated?	

At Operational Level		
1.	Tools for assessing Company performance	1=Work plans 2=Monthly Budgets 3=Performance

		4. Appraisal tools 5=Departmental Reports 6=Others (Mention)
2.	Frequency of assessing performance	1=Daily 2=Weekly 3=Monthly 4=Quarterly 5=Bi-annual 5=Annual 7. Others (Mention)
3.	How is the performance assessed?	
4.	Who participates in this assessment?	
5.	Which kind of information is generated?	

At Implementation Level		
1.	Tools for assessing Company performance	1.Work plans 2.Monthly Budgets 3.Performance 4. Appraisal tools 5.Departmental Reports 6. Others (Mention)
2.	Frequency of assessing performance	1.Daily 2.Weekly 3.Monthly 4.Quarterly 5.Bi-annual 6.Annual 7. Others (Mention)
3.	How is the performance assessed?	
4.	Who participates in this assessment?	
5.	Which kind of information is generated?	

### Assessing the Capital Projects Management Components

1.	Does your department have the following management components in Place?	Tick
a)	Company Program Management framework	1=Yes 2=No 3=Not sure
b)	Company Project Management standard framework	1=Yes 2=No 3=Not sure
c)	Company Project Management Design review and approval	1=Yes 2=No 3=Not sure
d)	Does the Company have a Capex governance structure to review and approve stage wise project implementation?	1=Yes 2=No 3=Not sure
e)	Is there a Company approved Project Change Management framework	1=Yes 2=No 3=Not sure
f)	Is there a Company approved Project Quality Management framework	1=Yes 2=No 3=Not sure

g)	Is there a Company approved Project Cost Management framework	1=Yes 2=No 3=Not sure
h)	Is there a Company approved Project Risk Management framework	1=Yes 2=No 3=Not sure
i)	Is there a standard monitoring & Tracking Tool (Performance) during project execution	1=Yes 2=No 3=Not sure
j)	Are Project Engineer progress reports standardised	1=Yes 2=No 3=Not sure
k)	Design Communication, and Report	
l)	Is there a Company approved Project Communication Plan format	1=Yes 2=No 3=Not sure
m)	Is there a clear Change Authorization/Approval Authority	1=Yes 2=No 3=Not sure
n)	Is there various Project Logs (Issue Log, Risk Log and Daily Log) during project execution	1=Yes 2=No 3=Not sure
o)	Are Reporting Schedules at various milestones agreed and approved	1=Yes 2=No 3=Not sure
p)	Are plans baselined and tracked by the project team	1=Yes 2=No 3=Not sure
q)	Is there a Project Stakeholder approved Management Plan in place	1=Yes 2=No 3=Not sure
r)	Is there Quality Assurance procedures on Materials and completed work packages	1=Yes 2=No 3=Not sure
s)	Is there a Donor Reporting Schedule/Plan in place	1=Yes 2=No 3=Not sure
t)	Is there an approved Project accounting package to track Project Budget expenditures?	1=Yes 2=No 3=Not sure
u)	Are the Company planning tools	1=Yes 2=No 3=Not sure
v)	Are lessons learnt captured & documented at end of the project	1=Yes 2=No 3=Not sure
w)	Are delays to the project escalated and documented by the project team	1=Yes 2=No 3=Not sure
x)	Is there a Project resource Management Plan in place	1=Yes 2=No 3=Not sure
y)	Is there an official Company Project equipment commissioning protocol in place	1=Yes 2=No 3=Not sure

z)	Is there an official Company Project hand over process and procedures to Operations in place	1=Yes 2=No 3=Not sure
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### Financial resources

1.	Is sufficient funding available to support staff to ensure enough staff have the skills needed to manage wayleave acquisition funds?	1=Yes 2=No 3=Not sure
2.	Is sufficient funding available to purchase and process the wayleave land including titling?	1=Yes 2=No 3=Not sure
3.	Do you have a separate budget to run Resettlement Action Plans?	1=Yes 2=No 3=Not sure

### Valuation rates

1.	Do you have a standard valuation rates system in place?	1=Yes 2=No 3=Not sure
2.	Who determines the final valuation rates?	
3.	Does your Company have the necessary valuation skills for acquiring way leave	1=Yes 2=No 3=Not sure
4.	Do you have conflict resolution system during valuation process	
5.	Do you have independent valuers for way leave and resettlement projects?	1=Yes 2=No 3=Not sure

### Assessing the Design and Structure

#	Question	Response
1.	Do you have any one in charge of the Way Leave Acquisition activities in the Company?	1=Yes 2=No 3=Not sure
2.	Whom does he/she report to?	1=Executive director 2=Department Head
3.	Do you have an acquisition information system?	1=Yes 2=No 3=Not sure
4.	If yes, is there any information associated with the way leave acquisition system?	
5.	Is the acquisition information system formalized in a written document - e.g. an operating manual?	1=Yes 2=No 3=Not sure

### Project Affected Persons Analysis

1.	Have you been affected by the way leave/transmission line project as a landowner?	
2.	Where and how have you been affected?	

3.	What is the nature of land ownership was affected	1. Mailo land 2. Freehold 3. Leasehold 4. Customary 5. any other (specific interest)
4.	Were you compensated for the affected land?	
5.	How long did it take for the compensation process to be completed?	
6.	Which nature of compensation did you receive?	1. financial 2. resettlement 3. any other specify
7.	Were you satisfied with the compensation process?	1. Yes 2. No 3. Not sure
8.	If 7 is no, why?	
9.	Were you sensitised about the process before?	
10.	Whom did you get the information about the acquisition and compensation process?	
11.	Was the compensation given fair to you?	
12.	If 11 is no, why do you think it was unfair?	
13.	What do you think should have been done to manage the process better?	
14.	What was the overall impact of the project to you?	

### Assessing Human Resource Management Capabilities

Human Resource Management Questionnaire		
S/N	Questions	Responses 1) Not present 2) Weak 3) Needs strengthening 4) Acceptable 5) Good
1.	Does UETCL have a Human Resource Management Strategy linked to Business Strategy (CBP)?	
2.	Do you have a Business structure aligned to business strategy?	
3.	Is the structure filled with the right skills and competencies?	

4.	Are all critical positions in the business filled?	
5.	Do you have a succession Planning Policy in place?	
6.	Does the Business have an annual Training Plan with key focus training?	
7.	Is there a process for Impact assessment on all Trainings undertaken?	
8.	In line with the CBP and BSC, does the organization follow a complete cycle of Performance Management?	
9.	Are all Company rewards linked to Performance Management?	
10.	Is there a Human Resource Management Manual (HRMM)?	
11.	Are all key processes (Recruitment to Exit Management) covered in the HRMM?	
12.	How compliant is the Company to Employment Act and other relevant laws in Uganda?	
13.	Is the Human Resource Department automated to provide value to the business?	

## Section 2: Assessing Stakeholders

### Introduction

My name is \_\_\_\_\_ I am conducting an Institution Capacity Assessment widely accepted within the Company. I am focusing on the Financial Management Assessment.

I request for your participation in this exercise. All information shared with me/us shall be treated with utmost confidentiality.

Thank you in advance for your cooperation.

*Content will be deepened after document review. Tool is also a guide for other meetings.*

Name of Interviewee	
Date	
State the nature of your interaction with UETCL? (Map according to the stakeholders identified; probe for impact on UETCL strategy)	
Who is your main contact person at UETCL?	
How do you qualify for success at UETCL?	
What do you think the biggest successes at UETCL have been	

What do you think the biggest failures at UETCL have been	
What do you think needs urgent remediation at UETCL	
In your opinion, what are the key strengths of UETCL	
In your opinion, what are the key challenges / weaknesses of UETCL	
In your opinion, what are the key opportunities for UETCL	
In your opinion, what are the key threats for UETCL	
On a scale of 1 to 6 how would you rate the quality of your relationship with UETCL?	
What could UETCL be doing to improve your relationship with the Company?	
Do you think that a 5-year period is adequate for a CBP?	
What challenges do you face in the production of the CBP?	
In which ways do you think the CBP process can be improved?	

### Assessing Financial Management Capabilities

Component	Descriptions	1	2	3	4	5	Comments
Accounts Payable	Are controls established over the vendor master file including an agreed process for the creation of new vendors and their review to ensure that clean, consistent data is held about the vendors in the AP master file?						
Accounts Payable	Are system-based purchase requisitions/ purchase orders created and approved in advance using workflow that is based upon an organisation hierarchical matrix?						
Accounts Payable	Are invoices received electronically where possible and paper invoices converted to electronic format via in-house or outsourced data capture?						
Accounts Payable	Are invoices matched automatically to POs and Goods Received Notes in the ERP system with only discrepancies such as price variances and missing goods receipts requiring further action/approval?						
Accounts Payable	Are payments made dependent on due date (not before), derived by system set payment terms, with the use of reporting to provide visibility of cash outflows which are shared with the appropriate parties?						
Accounts Payable	Has the use of petty cash as a payment mechanism been virtually replaced by a Procurement card or expenses for low value, one off transactions?						
Accounts Receivable	Are there significant challenges in the Clientele						



Component	Descriptions	1	2	3	4	5	Comments
Accounts Receivable	To what extent are credit and behavioural scoring models used to grant credit, assign credit limits, and monitor payment behaviour						
Accounts Receivable	Are effective remedies in place to manage default						
Bank and cash management	Organization has a bank account to hold its funds and safeguards are in place.						
Bank and cash management	Organization handles petty cash and unused and presented checks safely and accountability.						
Bank and cash management	Organization undertakes regular, accurate bank reconciliations.						
Budgets and cash flow planning	There dedicated resources and a department responsible for performing budgeting, planning, and forecasting						
Budgets and forecasting	Organization prepares, monitors, and reviews budgets and cash flow projections.						
Budgets and forecasting	The budget process focuses on the key performance areas						
Budgets and forecasting	Are automated tools used to assist in the planning/forecasting process						
Budgets and forecasting	Does the planning/forecasting process incorporate external data such as economic data and market/industry data						
Business Analysis	How frequently does the organisation evaluate, change, and minimise (the number of) its performance measures						
Compliance	Organization complies in all material respects to the laws and statutory regulations of the country/countries where it operates						
Corporate Business Plan	Are formal organisation-wide guidelines and standards issued at for the CBP which must be used by all parties						
Corporate Business Plan	Are timelines set for development of the CBP followed?						
Cost effectiveness	Cost effectiveness is analysed and guides management decisions.						
Finance staff levels and competency	Organization has adequate and capable finance staff.						
Financial Policies	Organization has written financial policies and procedures						
Financial record keeping	Organization maintains supporting receipts and invoices for every expenditure to justify disbursements.						
Financial Reporting	Organization produces a full set of financial statements which are in compliance with GAAP.						

Component	Descriptions	1	2	3	4	5	Comments
Financial reporting	Organization keeps an accurate record of accounts, which can be presented or substantiated on demand.						
Financial reporting	Organization produces proper financial reports on-time and in accordance with donor requirements; financial reports are reviewed internally.						
Financial reporting	Is there a detailed organisation-wide timetable containing all the activities to be completed for each financial close which includes: The sequence of events and their dependencies? The targeted timelines for the completion of each activity? Clearly identified roles and responsibilities? Standards for quality, accuracy, completeness, and compliance? The generation of all reports?						
Financial reporting	Have all items of guidance from the internal and external audits in respect of IFRS been implemented?						
Performance appraisal	Do the Balanced Scorecard measures have a direct link to operational measures that show achievement of department and organisational objectives						
Performance appraisal	How frequently does the organisation evaluate, change, and minimise (the number of) its performance measures						
Performance appraisal	Does the organisation effectively use technology to support the delivery of the Balanced Scorecard						
Performance appraisal	To what extent is talent managed within Finance with a clear career path in place and additional support for high performing individuals?						
Period Close	Are all suspense accounts independently reviewed on a monthly basis and reconciled?						
Period Close	Are standard forms (with standard reconciliation terms) used for the documentation of the completion of the reconciliations including recording evidence of independent review?						
Period Close	Are there rework and adjustments made to the close figures after the close? e.g., to correct errors, to re-adjust estimates, reverse entries, complete compliance activities, etc.						
Period Close	Is there a comprehensive year-end timetable covering all roles and responsibilities (not just Finance) prepared and widely communicated across the entire organisation, well in advance of commencement						
Strategy	Finance's role in strategy formulation is clear						
Strategy	Strategic planning process is well documented and understood by the parties						

Component	Descriptions	1	2	3	4	5	Comments
Strategy	Is there a Balanced Scorecard for the Board and each of the Board Committees						
Strategy	Does Finance continually enforce a process of review to ensure that all business units adequately report on and address the "Finance" elements and targets in each business unit's Balanced Scorecard						
Strategy	Is there a clearly articulated forward-looking vision for Finance that is directly linked with the overall corporate vision, mission and strategy and is communicated and understood across the organisation						
Structure	Is the Finance Function organised to focus on specialising in the three areas of insight, efficiency, and control						
Structure	Are there clear and documented roles and responsibilities within Finance including: An organisation chart; Defined individual roles and responsibilities; Delegation of Authorities?						
Structure	Are there detailed and current job descriptions for all Finance Function positions that include skills set definitions?						
Structure	Are there any apparent duplications in roles?						
Structure	Are Finance employee satisfaction surveys conducted on a regular basis and are the results acted upon by the Leadership Team?						
Tax accounting and compliance	Is there a good understanding of the overall attitude to tax planning and how tax planning and advice is managed						
Tax accounting and compliance	Are there recurring tax issues that the Company has not addressed?						
Tax accounting and compliance	Are finance procedures clear on tax management						
Tax accounting and compliance	Is there sufficient expertise and skill to manage complex tax affairs						
Technology and automation	Are all financial systems operational resilience and availability addressed through such means as: Signed Service Level Agreements for availability with formal measures; Predefined availability and downtime (e.g., for backups); Security controls (e.g., firewalls, virus protection, intrusion detection monitoring)?						
Technology and automation	Are all the Finance processes supported and enabled by Finance systems/ERPs (as opposed to spreadsheets and standalone databases)?						
Technology and automation	Is Business Intelligence application integrated with ERP						

Component	Descriptions	1	2	3	4	5	Comments
Technology and automation	Are all system user manuals current and available						
Treasury	Has the process of consolidation including elimination entries and foreign exchange translation/revaluation been automated and standardised						
Treasury	Does the organisation have a good understanding of the types, values, volumes, and horizons of exposure?						
Treasury	Have specific foreign currency, interest rate risk limits been established and are these updated on a periodic basis?						
Treasury	Does Management have full visibility of the currency effects on business operations including both direct transactional cash flows and indirect exposures?						
Treasury	What is the level of impact on the organisation from the foreign exchange risks?						
Treasury	How effectively does the organisation report foreign exchange sensitivities as part of its management reporting/budgeting/forecasting and is this linked to the management of foreign exchange risk by Treasury?						

### Assessing ICT Capabilities

Component	Descriptions	1	2	3	4	5	Comments
Business Strategy	Is the role of IT clearly spelt out in the Business Strategy?						
Business Strategy	Are assessments made periodically to ensure that IT initiatives are supporting the business strategy?						
Business Strategy	Are major developments in technology assessed for their impact on the business strategy and necessary corrective steps, wherever needed, are taken?						
IT Strategy	Does a long-term IT strategy exist?						
IT Strategy	Are long-range IT plans converted to short-range or annual IT work plans regularly for achievability?						
IT Strategy	Are adequate resources allocated for achieving the IT work plans?						
IT Strategy	Are assessments made on a continuous basis about the implementation of IT work plans?						
Security Policy	Does a security policy exist and is it aligned to the business strategy?						

Component	Descriptions	1	2	3	4	5	Comments
Security Policy	Is the security policy communicated to all concerned and are continuous awareness programmes conducted for security awareness?						
Security Policy	Are periodic security audits carried out?						
Projects Management	Are modern project management IT systems and tools used by the project teams						
IT Systems Requirement	Is the IT work plan covering areas requiring implementation of key IT systems?						
IT Systems Requirement	Is a functional manager or a committee identified as responsible for an area requiring an IT system?						
IT Systems Requirement	Are the IT system requirements graded as Vital, Essential, and Desirable?						
IT Systems Requirements	Are IT system requirement documents approved?						
IT Systems Vendor Selection Criteria	Are requirements documents translated clearly into product acceptance criteria such as 'Show Stoppers', 'Allowable Customisations', 'Desirable positive features'?						
IT Systems Vendor Selection Criteria	Does the IT Department have a technology standard for product selection and does the technology standard cover: architecture, open database standards, interfaces and API standards, security standards?						
IT Systems Vendor Selection Criteria	Are the guidelines including market presence, years in operation, technology alliances, customer base, existing implementation, support, licensing, source code availability, local support in case of foreign vendors considered for selection of product vendors?						
IT Systems Vendor Selection Criteria	Are scoring models for evaluating the products and vendors used in considering the extent of customization, security features, technology fit, performance, and scalability?						
IT System Vendor Selection Process	Are meetings for planning and implementation of key business systems documented and details circulated?						
IT System Vendor Selection Process	Are checklists developed for Product Evaluation, Site Visits, Customer Reference						
IT System Vendor Selection Process	Is final evaluation and selection fully documented and approved?						
IT Systems Contracting	Are Product Licensing Agreements, Service Level Agreements undertaken for key IT systems?						

Component	Descriptions	1	2	3	4	5	Comments
IT Systems Contracting	Is there commitment from the actual owner system owner to support UETCL in case of a break in the relationship between the owner and the reseller?						
IT Systems Contracting	Are duties and responsibilities of the UETCL and the Vendor clearly segregate in the contracts?						
IT Systems Contracting	Do contracts include a clause to protect UETCL from the Vendor using the UETCL data?						
IT Systems Contracting	Do contracts for key business systems clearly specify the product base lines?						
IT Systems Implementation	Is gap analysis between the requirement and the selected product performed and documented?						
IT Systems Implementation	Are key IT systems implementation plans approved						
IT Systems Implementation	Are opening balances approved and verified after loading?						
IT Systems Implementation	Is testing performed and properly documented?						
IT Systems Implementation	Are system documentation covering design, data dictionary, implementation, user, and technical manuals handed over by the vendor?						
IT Systems Implementation	Are roles and authorization approved before implementation on IT systems						
IT Systems Implementation	Is there a proper archival system for IT system documents?						
IT Systems Implementation	Is a formal Acceptance Certificate issued for an IT system implemented?						
IT Systems Post Implementation	Is the IT Department tracking problems reported by users, escalation to vendors and their resolution?						
IT Systems Post Implementation	What is the level of adherence to agreed service levels by the vendors of key IT business systems?						
Change Request Management	Are change requests initiated by users in a change request form and subjected to feasibility study?						
Change Request Management	Are change requests approved before affecting the changes on key business systems?						
Change Request Management	Are key business systems capable of logging the minimum criteria specified to log and report incidents and violations of system integrity						

<b>Component</b>	<b>Descriptions</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Comments</b>
	including actions performed by systems administrators?						
Change Request Management	Are changes made only in the test environment and not in the live environment and tested adequately before implementation?						
Key system usage	Are key systems accessible for transactions at all work time						
Key system usage	Are user errors resulting in financial loss, regulatory/compliance issues, serious customer complaints.						
Key system usage	Are errors being noticed in processing transactions						