



**FINANCING AND SERVICE DELIVERY IN ARMED CONFLICT SITUATIONS IN
NORTHERN UGANDA: A COMPARATIVE STUDY OF GULU
AND NEBBI LOCAL GOVERNMENTS**

BY

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DECLARATION

I Walter Jokkene do hereby declare that this is my original work and has never been submitted to any other university for an academic award.

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Dedication

This research report is dedicated to my father Mzee, Simon Gunya and my wife Jennifer Angeyo for encouraging and supporting me to pursue the Masters programme up to the end. I am also grateful to Uganda Land Commission for supporting my education.

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ACRONYMS

AAMPS	– Area Based Agriculture Modernisation Programme
CAO	- Chief Administrative Officer
CFO	- Chief Finance Officer
DDP	- District Development Plan
DPU	- District Planning Unit
DTPC	- District Technical Planning Committee
GOU	- Government of Uganda
IDPs	- Internally Displaced Persons
LC III	– Local Council Three
LC V	– Local Council Five
LG	– Local Government
LGDP	– Local Government Development Programme
LGFC	– Local Government Finance Commission
MFPEd	– Ministry of Finance Planning and Economic Development
MOLG	– Ministry of Local Government
NAADS	– National Agricultural Advisory Services
PAF	- Poverty Action Funds
PHC	- Primary Health Care
PMA	– Programme for Modernisation of Agriculture
UNDP	– United Nations Development Programme

ABSTRACT

The study examined how financing affected service delivery in Gulu district in comparison to Nebbi. Financing policy under decentralization seemed to be ineffective in Gulu due to over 20 years of armed conflicts and as a result service delivery appeared to be deteriorating. Reviewed literature showed that low local tax levels seemed to have severely led to underfunding of local priorities and co-funding obligations. Conditions and rigidity of conditional transfers affected their timely utilization in armed conflicts environment. Financial control was weakened by shortage of resources and skilled personnel in auditing, and lack of technical and political capacity to shape public service delivery. The study used quantitative and qualitative methods. Data were collected with the use of interviews, questionnaires, observations and document analysis. The findings were that service delivery was poorer in Gulu district than Nebbi; the level of local tax was too low to fund local priorities and co-fund matching grants. Conditional transfers were not suitable; Gulu failed to use it and even failed to complete projects under matching grants. Financial control was weaker in Gulu compared to Nebbi. In conclusion, financing policy leads to poor service delivery in armed conflict situations; the lower the level of local tax and the higher the failures to utilize conditional transfers timely; and the weaker the financial control, the poorer the service delivery. The study recommends that Local governments in armed conflicts should be allowed flexibility in the use of conditional grants and the use of equalization grants to co-fund matching grants. Central Government should establish policy interventions to motivate and attract public servants to work in war ravaged areas and fund district councils, commissions and boards of districts in armed conflict situations.