

# Assessment of the Implementation of Local Economic Development Policy in Uganda

## **ANALYTICAL PAPER**

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## **Table of Contents**

1	Introduction	1
2	Overview of Uganda's LED Policy	1
3	Drivers of Implementation of the Uganda LED Policy (2014)	<i>2</i>
	Case Study: Implementation of the Presidential directive on Agri-LED in Fort pd Kabarole District	-
5	Challenges to Implementation of the LED Policy in Uganda	5
6	Opportunities for Implementation of the Uganda LED Policy (2014)	6
7	Conclusions and Recommendations	8
Rei	ferences	9

### **Acronyms**

Agri-LED Agro Industrialisation for Local Economic Development

CAO Chief Administrative Officer
CDD Community Driven Development

CG Central Government

CSOs Civil Society Organisations

D/MLEDRT District/Municipality LED Resource Team DINU Development Initiatives Northern Uganda

DLGs District Local Governments

DPs Development Plans

DPSF Decentralization Policy Strategic Framework

LED Local Economic Development LEP Local Economic Profiles LFI Local Financing Initiative

LGDP Local Government Development Planning

LGs Local Governments

MoLG Ministry of Local Government

NAADS National Agricultural Advisory Services

NDP National Development Plan NPA National Planning Authority

NUSAF Northern Uganda Social Action Fund NWSC National Water and Sewerage Corporation

OWC Operation Wealth Creation PPP Public Private Partnership

PRUDEV Promoting Rural Development in Northern Uganda

PS Permanent Secretaries

REA Rural Electrification Agency

TC Town Clerk

TDA Tourism Development Area UIA Uganda Investment Authority

ULGA Uganda Local Governments Association

UNDP United Nations Development Programme

UNRA Uganda National Roads Authority

USMID Uganda Support to Municipal Infrastructure Development

UWEP Uganda Women Entrepreneurship Programme

YLP Youth Livelihood Project

#### 1 Introduction

This analytical paper assesses implementation of the Local Economic Development (LED) Policy in Uganda. The paper specifically focuses on the underlying drivers for (non) implementation of the LED policy and identifies challenges and opportunities for its implementation. This work was commissioned by the Uganda National NGO Forum against a backdrop of failure by local governments to exploit the potential of LED to increase societal incomes and increase the tax base of local governments to improve local services. The paper is a product of desk review of policies and documents deemed relevant to providing insights into implementation of the LED Policy in Uganda. The analysis attempts to separate implementation of the LED Policy from *local economic development* the phenomena.

The term LED has been defined differently across the world and overtime. Nevertheless, the territorial nature, its focus on employment & improving the quality of life as well as managing local resources, and partnerships are common features of LED. Rodríguez-Pose (2002) posits that LED only refers to those development strategies that are territorially-based, locally owned and managed, and aimed primarily at increasing employment and economic growth. Beer (2009) argues that LED can take on a mix of strategies, including, encouraging inward investment in the region, fostering innovation, nurturing a 'creative city' environment, promoting new business start ups, engaging in regional economic planning, coordinating infrastructure investment, assisting small businesses gain access to capital and acting to facilitate development applications through the approval process. Kiss & Rácz (2019) categorize determinants of territorial development into five categories namely, main characteristics of the territory, resource endowment, strategic planning and policy instruments, cooperation and coordination and innovation & sustainability,

The Uganda National Local Economic Development Policy (2014) defines LED as a process through which Local Governments (LG), the private sector and the communities form partnerships to mobilize, manage and invest resources effectively into economic ventures to stimulate development and growth of the locality.

## 2 Overview of Uganda's LED Policy

Local Economic Development (LED) in Uganda is a derivative of the Decentralization Policy (Kavuma et.al, 2020). The Decentralization Policy Strategic Framework (DPSF) among other things introduced LED as the sixth objective of decentralization with the aim of stimulating local competitiveness, increased business promotion and poverty eradication (Government of Uganda, 2014). In line with this new objective, the Uganda National LED Policy (2014) was adopted. The Policy has eight objectives<sup>1</sup> including to,

- i) Promote partnerships for LED implementation,
- ii) Expand the economic infrastructure for LED to thrive,
- iii) Strengthen National and Local Government capacities to implement LED,
- iv) Develop clear guidelines for LED implementation at all levels,

<sup>&</sup>lt;sup>1</sup> Under which 58 strategic interventions are listed

- v) Increase the level of public awareness and participation in LED interventions,
- vi) Create a business enabling environment for LED,
- vii) Mobilize adequate financing for LED implementation, and
- viii) Mainstream cross cutting issues in LED e.g., Gender, HIV/AIDS, Environment and Vulnerable segments of the population.

#### **Implementation Arrangements**

#### National Level

- The National LED Committee is responsible for policy guidance and oversight in the implementation of LED. The National LED Committee is comprised of Permanent Secretaries (PS) of 13 Ministries and representatives from government agencies and the Uganda Local Governments Association (ULGA). It is chaired by the PS of the Ministry of Local Government.
- The National LED propagation Team which is the technical arm of the National LED Committee.
- National LED Secretariat at MoLG where focal point staff to coordinate implementation of the LED policy are situated. Institutional/Sector LED Committees

#### Local Government Level (District/Municipality)

• District/Municipality LED Resource Team (D/MLEDRT) which is responsible for coordination of LED in higher local governments. The Team reports to the Technical Planning Committee (TPC) and is chaired by the Chief Administrative Officer (CAO) or Town Clerk (TC) with the Commercial Officer as the Secretary. Other members of the D/MLEDRT include heads of departments and representatives of the private sector and CSOs.

#### Key Milestones in Implementing strategic interventions under the LED Policy

- Revamping and empowering the District Commercial Office as a full department with the necessary staffing and funding to implement LED activities<sup>2</sup>,
- Development of the PPP Policy and guidelines for Local Governments to promote economic development in localities (rural and urban)
- Revision of the National Local Government Capacity Building Policy (2005) was in 2014 to incorporate LED initiatives.

## 3 Drivers of Implementation of the Uganda LED Policy (2014)

Economic development of a territory (increase incomes and economic opportunities) can happen without deliberate efforts to implement a LED strategy. However, LED as a development approach is supposed to catalyze economic development. In this section, five drivers of implementation of the LED policy in Uganda are identified namely, Central Government Programs, Local Government Initiatives, Development Partner driven projects, CSO initiatives and Private sector partnerships.

<sup>&</sup>lt;sup>2</sup> Although many districts reportedly still have vacancies in these positions.

#### **Central Government Programs**

The government of Uganda in line with its objective of wealth creation and employment has implemented a number of projects with the aim of increasing incomes, creating jobs, developing infrastructure, community mobilization, and improving local governance. Some examples include support to implementation of LED and Community Driven Development (CDD) approach, the Uganda Support to Municipality Infrastructure Development (USMID), Operation Wealth Creation (OWC), Agro industrialization for Local Development (AGRI-LED), Development Initiatives Northern Uganda (DINU) etc.

#### **Local Government Programs and Initiatives**

The LGs largely implement programs on behalf of the CG using grants from the later. Therefore, LGs become the vehicle through which some of the national LED interventions are delivered examples include, Uganda Women Entrepreneurship Program (UWEP), Youth Livelihood Project (YLP), Northern Uganda Social Action Fund (NUSAF). The interventions under these projects include building of markets, mentoring and advisory services, distribution of agricultural inputs, funding for enterprise development etc. Similar activities have been implemented LGs funding from development partners. There are also instances where LGS use their meagre resources (local revenue) to undertake LED interventions including construction of markets, slaughter places, taxi parks, produce storage facilities. It is important to note that the LG initiatives vary from district to district.

#### **Donor Driven Projects**

Different Development partner organizations are implementing initiatives that contribute to providing the right environment and stimulus for LED (Owani & Mukuye, 2018). For instance, the Uganda Investment Authority (UIA) in partnership with United Nations Development Program (UNDP) implemented a project to develop investment profiles in 11 refugee host districts in Uganda, the European Union together with the Federal Republic of Germany are implementing a project titled Promoting Rural Development in Northern Uganda (PRUDEV)<sup>3</sup>, UKaid<sup>4</sup>.

#### **Civil Society Organizations**

Civil Society Organisations (CSOs) have become vital in mobilizing communities for development. They facilitate engagement between LGs and the private sector and foster cohesion, self-help and mind-set change (Kavuma, et al., 2020). It is important to note that the capacities of the CSOs varies across the country with concentration in some localities and focus on different development issues. The partnerships between CSOs and LGs are more common than with the private sector. However, like all partnerships, there are challenges including lack of trust<sup>5</sup>.

#### **Private Sector Partnerships**

3

<sup>&</sup>lt;sup>3</sup> Project aimed at improving local economic development in Northern Uganda, with a strong focus on market integration through improving management skills of agricultural producers and processors

<sup>&</sup>lt;sup>4</sup> The project aims to help city economies to become more productive, deliver access to reliable, affordable, renewable power for businesses and households, and strengthen investment into infrastructure services, including from the UK.

<sup>&</sup>lt;sup>5</sup> Ibid

The private sector is increasingly engaging with local governments in the implementing different activities though at varied levels across the country. Kavuma et. al, (2020) provided some accounts of such partnerships in northern Uganda including,

- Olam in partnership with Kitgum District LG increased sim-sim production in the district through a tractor scheme and post-harvest handling.
- West Acholi Cooperative Union in partnership with Gulu District LG constructed a bulk market with support from PRELNOR project. The Union provided land for the project.
- Acholi Private Sector Initiative in partnership with Gulu District LG implemented an initiative to raise awareness and training business persons.

## 4 Case Study: Implementation of the Presidential directive on Agri-LED in Fort Portal City and Kabarole District

Located 290 Km from Kampala, Fort portal is the major town in Kabarole District and the seat of the Tooro Kingdom. Geopolitically, the town in located in the Western Region where newly created cities of Mbarara and Hoima are also located. Fort portal is a gateway to seven other districts in the Tooro sub-region and Kasese which was once billed as the regional urban center with a population of over 500,000 compared to Fort portal's 250,000 under the Uganda National Physical Plan 2019-2040. The regional airport is planned for Kasese as well. It is surprising that Fort portal Municipality was on July 1, 2020, elevated to city status alongside Arua, Gulu, Jinja, Masaka, Mbale and Mbarara at the expense of Kasese Municipality.

Fort portal was specifically designated a tourism city following the Arusha (Tanzania) model. The town and the surrounding districts are well endowed with tourist attractions including 52 crater lakes, the Rwenzori Mountain Ranges, several rivers the famous Amabeere ga nyina Mwiru, the Tooro Royal Palace (Karuzika) to mention a few. The Uganda Tourism Development Master Plan (2014-2040) situates the city in the Western Tourism Development Area (TDA) also known as the 'Lakes and Mountains of the Moon'. The Western TDA is composed of Rubirizi, Kasese, Kabarole, Bundibugyo, Ntoroko and Rukungiri districts. It focuses on the Queen Elizabeth, Rwenzori Mountains and Semuliki National Parks. It also incorporates the Kigezi, Kyambura, Katonga and Toro Semuliki Wildlife Reserves.

In terms of Agro-ecological Zones, Kabarole District and Fort portal City fall under the High Land Ranges (Zone 10), while several surrounding districts fall under the Western Savanah Grasslands (Zone 7)1. The key agricultural products for Zone 10 include Coffee, Poultry, Apples, Tea and Dairy Cattle. These crops have been promoted under OWC since 2013. In 2020 still under OWC the Presidential Directive on Agro Industrialisation for Local Economic Development (Agri-LED) was launched. The government under National Agricultural Advisory Services (NAADS) released 10Bn to develop Kasese and Kabarole Industrial Parks in a bid to promote Agro industrialization. The funds were for infrastructure development and administration in the two cities. A Joint stakeholder working group and two committees for physical infrastructure & investment were set up to fast-track and coordinate Agri-LED interventions in Kasese and Kabarole industrial and business parks. The key stakeholders involved include NAADS, OWC, UIA, Uganda

National Roads Authority (UNRA), Rural Electrification Agency (REA) National Water and Sewerage Corporation (NWSC), MoLG and Kabarole & Kasese DLGs). It is however not clear how the initiative will contribute to tourism which is expected to be a major income earner in the region.

While Agri-LED is one of the flagship interventions under the National Development Plan III and attempts to align with the different plans cited above, Kabarole District and Fort Portal City being different LGs are required to develop their respective Five-Year Development Plans (DPs) including their LED strategies. However, there is no concrete framework for regional planning or coordination between the two as well as with other LGs in the sub-region.

The Uganda Investment Authority (UIA) in conjunction with OWC and National Planning Authority (NPA) with support from the United Nations Resident Coordination Office developed investment profiles for nine districts in the region. The Profiles cover five sectors namely, Agriculture, Tourism, Infrastructure, Services, Minerals, Extractives and Human capital development.

#### Issues Emerging from the Case Study

- a) Tourism links Fort Portal City Kabarole with several districts in the Tooro subregion and beyond and therefore there could be benefits for Cooperating on LED across a number of districts. There needs to be a concrete framework for cooperation of LGs on LED given that economies in localities transcend district boundaries.
- b) The elevation of Fort portal to City status may have implications for elevating Kasese to regional city status as planned under the Uganda National Physical Plan 2019 2040. The question is, can the sub-region accommodate two cities in close proximity?
- c) While the Agri-LED initiative is the most outstanding demonstration of government's commitment to LED, the approach used did not utilize the institutional framework provided for under the policy. The OWC seems to be leading the process as opposed to MoLG. Also, alternative structures were set up to implement activities.
- d) The level of participation by the private sector in implementation of the initiative remains minimal.
- e) The initiative is not home grown and there are questions on ownership among the beneficiary LGs as well as whether the initiative addresses needs of the communities.
- f) The Agri-LED initiative focuses on agro-industrialization and it is not clear how the initiative will contribute to tourism which is expected to be a major income earner in the region.

### 5 Challenges to Implementation of the LED Policy in Uganda

The challenges are factors that limit implementation of the strategic interventions as laid out in the policy. They include, non-functionality and ineffectiveness of the Institutional

Framework, inadequate financing of Implementation of the LED policy, weak accountability for implementation of the LED policy and mismatch between the Planning Framework and LED Approaches. Deliberate effort has been made to exclude wider determinants of economic performance of territories from these challenges.

#### Non-functionality of the Institutional Framework

The institutional framework prescribed in the policy was supposed to be the bulwark for LED in Uganda. While the design of this framework may be faulty, the policy provides for its review and improvement. However, there is anecdotal evidence that the framework is dysfunctional. At the national level, while the LED National Steering Committee and LED Propagation Team were constituted, they are not functional due to lack of funds<sup>6</sup>.

#### Inadequate financing for implementation of the LED policy

Closely related to the above challenge is the issue of inadequate funding. Implementing a policy requires dedication of adequate financial resources. The LED policy provided for a Local Financing Initiative (LFI) to provide a framework for developing large infrastructure schemes through public private partnerships. It also provided for establishing a non-conditional grant for LED financing in the national budget to be transferred on a regular basis to the LGs. There is no indication that these two important interventions have been undertaken.

#### Weak accountability for implementation of the LED policy

Accountability which is the obligation to account for ones' actions is important for performance of responsibility holders. The framework for LED implementation is weak on accountability. Ordinarily, the Parliament of the Republic of Uganda is the supreme accountability body. However, the institution has not demonstrated any meaningful interest in the LED Policy beyond passing loans for implementing piece meal interventions here and there across the country as well as holding actors accountable in relation to those specific projects. Reports on Implementation of the LED Policy are hard to come by.

#### Mismatch between the Planning Framework and LED Approaches

Uganda's planning framework including the National Development Plan and annual budgeting are largely top down. The priorities are communicated to LGs who have little input. Yet, LED is essentially a bottom-up approach.

## 6 Opportunities for Implementation of the Uganda LED Policy (2014)

The identification of the opportunities listed here is premised on potential to simultaneously fulfil at least two of the following conditions, focus on implementing strategic interventions under the LED Policy, foster partnerships among key actors especially those who control resources - central government, LG, donors and the private sector), and applicability of participatory panning approaches. The opportunities include,

<sup>6</sup> Mushemeza, E., D., Decentralisation in Uganda: Trends, Achievements, Challenges and Proposals for Consolidation, Kampala: ACODE Policy Research Paper Series No.93, 2019

Ascession of LED in both international and national development strategies has increased the level of attention and resources dedicated to its implementation around the world (Rogerson & Rogerson, 2010). It has made its way in the conversation about SDG 18 on Decent Work and Economic Growth and is the focus for many Development Organizations and Agencies around the world. Internally, the government of Uganda like many other across the world is hoping to ride on LED to achieve higher levels of economic growth, create much needed jobs and improve wellbeing of its citizens. The increased focus on LED by CSOs can also be linked to this newly found status of LED.

The National planning cycle recently introduced regional development as a fully-fledged program. This presents an opportunity for actors to develop strategies and coordinate implementation of LED. At LG level, the LGDP Guidelines require LGs to develop five-year plans and they provide for, a participatory planning approach, roles and responsibilities of actors, M&E strategy and reporting arrangements. Thus, the planning cycle could potentially improve functionality of key actors and strengthen accountability for implementation of LED at sub-national level.

**Availability of planning information** from different sources reduces the demands on the limited capacity to assemble required data especially at LG level. Some key undertakings that generate potentially useful data for implementation of the LED Policy include, the Uganda National Population Census and associated and surveys by the Uganda Bureau of Statistics (UBOS)<sup>7</sup>. The other is the compilation of investment profiles by UIA with support from other actors.

**Accountability processes** that include oversight by parliament and district councils at LG level can spur implementation of the LED policy. In addition to passing laws that can strengthen LED, the Parliament has power and processes through which it can demand for accountability from the Permanent Secretary of the MoLG over implementation of the Policy. The District Councils too are supposed to hold the technical arm that is responsible for implementing LED at that level accountable.

**Increased use of ICT** including the internet and mobile phones make it possible to share information about LED at a lower cost while maximizing reach. ICT also makes it possible to collaborate with different people as well as share resources. However, while this opportunity exists its prospects could be constrained by limited capacity to use the technology at different levels.

A widespread and growing private sector with both skills and financial resources is a potential resource for implementation of the LED policy in Uganda. More urbanized areas have higher concentration of private sector actors with sophisticated skills. Cooperative societies and SACCOs which are on the rise could be good partners with LGs in implementation of the LED policy however they require enabling policy frameworks at that level.

**The Secondary Cities** are expected to be regional growth centers and thus will attract more economic actors with greater capacities than smaller urban centers.

<sup>&</sup>lt;sup>7</sup> Especially when disaggregated territorially - district, city, region etc.

#### 7 Conclusions and Recommendations

There is limited information on the implementation of the LED policy in Uganda. This is largely due to absence of systematic periodic review of the policy as provided for in the Policy. There is anecdotal evidence that some progress has been made on implementation of strategic interventions and attempts made to implement the Policy in different districts albeit variedly. The view of this paper is that more should have been done.

Recommendations for fast tracking implementation of the LED policy in Uganda

- Review and operationalize the LED leadership structure especially at national level. This will be responsible for championing implementation of the Policy. This requires meeting a funding thresh hold for covering operational costs of the National LED Propagation Team and Secretariat including staffing.
- Provide for regional planning framework for LED.
- Orient and train key actors in the implementation of LED at national and subnational levels on their roles, best practices and applicable tools. Creating a center of excellence based on the civil service training college model would be
- Solution Prioritise the introduction of the LFI and creation of a special grant to LGs for implementation of the LED policy as a way of alleviating funding pressures.
- Emphasis on LED in accountability forums at both national and LG levels Parliament, LG Councils, MoLG, NPA, GAPR etc.
- Os Development of a LED strategy in which the strategic interventions are reviewed, prioritized and sub strategies derived by program or territorially.
- Harmonies the planning framework especially the LGDP guidelines with the LED policy.
- OB Deliberately solicit for funding and other support for implementation of the LED Policy.
- © Create an online repository for LEP planning information.
- (3) Undertake periodic performance review of the implementation of the Policy
- There is need to appropriately define what LED means. Currently it seems to be everything which makes it difficult to plan for and manage.
- S Explicit focus on job creation during planning and reporting on LED.

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#### **Annex II: LED Policy Strategic Interventions**

#### 1. To promote partnerships for LED implementation

- 1. Developing and implementing a PPP Policy and guidelines for Local Governments to promote economic development in localities (rural and urban);
- 2. Mapping LED actors who are active at National and Local Level and define their roles and functions;
- 3. Facilitating large organizations to partner with SMEs for joint ventures, out sourcing, sub contracting among others;
- 4. Nurturing and mentoring women and youth entrepreneurs to benefit from the LED initiatives;
- 5. Supporting the development of commercial agriculture and encourage the creation of Public Private Partnerships (PPPs) for selected crops in selected regions; and
- 6. Strengthening the District Investment Committee and other local for that will discuss and develop LED programmes at the Local Government (LG) level.

#### 2. To expand the economic infrastructure for LED to thrive

- 7. Supporting the LGs to build, in conjunction with the private sector actors, economic infrastructure facilities such as warehouses, lorry and taxi parks, industrial parks, bulking centres, processing facilities, extending power supply, etc to promote LED activities at every LG;
- 8. Introducing a Local Financing Initiative (LFI) Programme, which focuses on developing large infrastructure schemes through public private partnerships.

#### 3. To strengthen National and Local Government capacities to implement LED

- 9. Carrying out capacity needs assessment at national and local government level to ascertain the readiness for LED planning, management, implementation and monitoring;
- 10. Implementing the recommendations of the capacity needs assessment. This might include restructuring the Local Governments to ensure that they are positioned adequately to manage and implement LED activities;
- 11. Reviewing the National Local Government Capacity Building Policy (2005) to incorporate LED initiatives;
- 12. Conducting tailor-made trainings on LED for various stakeholders at national and sub-national levels;
- 13. Developing local entrepreneurship skills for SMEs, especially those operated by women and other vulnerable segments to increase their capacity for innovation and business growth;
- 14. Building capacity for effective coordination of LED at national and local level.
- 15. Revamping and empowering the District Commercial Office as a full department with the necessary staffing and funding to implement LED activities;

- 16. Equipping LGs with necessary skills to negotiate and manage public-private partnership agreements;
- 17. Enhancing capacities of LGs to incorporate LED into their planning and budgeting processes in line with the NDP;
- 18. Strengthening the National LED Propagation Team and District Investment Committees/LED Forum; and
- 19. Advocating for best practices in corporate governance.

#### 4. To develop clear guidelines for LED implementation at all levels

- 20. Formulating and implementing the following guidelines; Planning, Budgeting and Financing in liaison with NPA
- 21. Local Economic Business Assessment
- 22. Preparation of Business Plans
- 23. Preparation of Marketing Strategy
- 24. District LED Strategy Formulation
- 25. Corporate Governance in liaison with the Uganda Institute of Corporate Governance
- 26. Public Private Partnerships (PPPs) in liaison with MFPED and the Private Sector
- 27. Monitoring and Evaluation of LED in liaison with NPA

#### 5. To increase the level of public awareness and participation in LED interventions

- 28. Developing and disseminating Information Education and Communication (IEC) materials on LED to stakeholders;
- 29. Translating LED policies, rules, regulations, strategies, IEC materials and guidelines into major local languages;
- 30. Establishing strong collaboration with the media industry to develop and implement a communication and advocacy strategy to popularize LED;
- 31. Promoting initiatives that strengthen civic competence (education) and civil participation to empower communities to demand for better services and accountability from their leaders; and
- 32. Creating an interactive MSMEs website (Info portal) with modules that MSMEs can easily utilize to market their products and services.

#### 6. To create a business enabling environment for LED

- 33. Streamlining the business regulatory environment for example licensing, tax administration and procedures;
- 34. Promoting value-chains and cluster development (zoning);
- 35. Partnering with relevant institutions and business advisory firms to regularly produce and disseminate evidence-based data and information on LED for appropriate decision-making;
- 36. Instituting affordable mechanisms for business dispute resolution at the Local Government level;
- 37. Establishing one-stop-centre for advisory services, business networking, guidance and access to financial services;
- 38. Supporting Local Governments to conduct local economic business assessments to form a basis for resource and local business mapping

- strategies, for attracting business development services to the localities and for monitoring and evaluating economic growth in the communities;
- 39. Developing and implementing a marketing strategy for LED for each Local Government, with special attention to locality, infrastructure and services; and business potential and competitive/comparative advantages. The marketing strategy will target local, regional and international business communities with a view to establishing business partnerships and mobilizing needed financial and technical resources;
- 40. Ensuring the PPDA tendering and procurement procedures enable small contractors and emerging businesses to participate in procurement and delivery services.
- 41. Encouraging specialized business promotion agencies to establish outreach offices at Local Government level to reduce on the cost of doing business for the local private sector;
- 42. Encouraging the establishment and expansion of provision of inputs for LED implementation in rural and urban areas; and
- 43. Setting up a system for dispute resolution at the local level through the LC courts.

#### 7. To mobilize adequate financing for LED implementation

- 44. Mobilizing Private Sector (Financial Institutions) to participate in LED initiatives;
- 45. Advocating for increased Public Sector funding to LED growth-oriented initiatives;
- 46. Soliciting for support to LED from Development Partners;
- 47. Promoting value-chain financing to increase competitiveness for export business;
- 48. Creating favorable conditions for long term financing to local authorities and the private sector;
- 49. Encouraging financial institutions to engage in MSMEs client appraisal for possible funding;
- 50. Improving access to commodity and financial markets by women and youth entrepreneurs;
- 51. Improving farmer's access to credit in order to facilitate the transformation from subsistence to modern commercialized agricultural production;
- 52. Attracting micro-finance institutions to finance LED initiatives;
- 53. Mobilizing resources for infrastructure and services required for business promotion; and
- 54. Establishing a non-conditional grant for LED financing in the national budget to be transferred on a regular basis to the LGs.

## 8. To mainstream cross cutting issues in LED e.g. Gender, HIV/AIDS, Environment and Vulnerable segments of the population.

- 55. Ensuring concerns of special interest groups like women, youth and people with disabilities are addressed at the initiation, design and implementation of the local community projects.
- 56. Establishing a reward system for best practices under the LED initiative, especially those which target the vulnerable groups and communities;

- 57. Addressing intra-household relations arising from successful LED implementation; and
  58. Ensuring EIAs are conducted for large and small businesses to protect the
- environment.