

UDN PRESS STATEMENT ON THE CONSTITUENCY DEVELOPMENT FUND (CDF)

1. Uganda Debt Network is concerned that the Constituency Development Fund (CDF) was disbursed without clear guidelines that resulted into misuse, wastage, inadequate transparency and accountability.
2. Uganda Debt Network is cognizant that out of a Presidential pledge to Members of Parliament (MPs), the CDF was intended to relieve the pressure exerted by constituents on their MPs, who demanded funding for development projects. The CDF was included in the Financial Year 2005/06, which was worth UGX 2.95 billion and was approved by Parliament on 9 September 2005. In November 2005, each MP subsequently received UGX 10 million as a constituency development fund.
3. Uganda Debt Network is dismayed that government's commitment to a) improving the quality of life of the poor b) increasing the incomes of the poor c) equal protection of citizens' rights and d) mechanisms for prudent utilization of public resources and accountability seem to be undermined by the current questionable public expenditure patterns, for example, manifested by the lack of adequate guidelines for the disbursement of the Constituency Development Fund (CDF). UDN is further dismayed that the MPs under the same inadequate CDF guidelines are soon receiving yet another chunk of the fund.
4. Uganda Debt Network conducted a study on the Constituency Development Fund in November and December, 2006, which involved a) Desk reviews b) Field visits to the districts of Kamuli, Kaliro, Namutumba, Kanungu, Bushenyi, Bugiri, Iganga, Bukedea, Amuria, Katakwi, Apac, Kumi, Kalangala, Mpigi, Rakai, Kasese, Mbarara, Kabale and Arua and involved local officials, religious and opinion leaders, the youth, elders, teachers, health workers and community groups c) A sample of over 167 MPs, some of whom served in the 7th Parliament and others that made it to the current 8th Parliament, were interviewed.
5. The key findings of the study are as follows;
 - a) The Desk reviews indicated that the guidelines on the CDF were inadequate and worse still were not followed by the Members of Parliament.
 - b) From the Field visits to the different districts, the study revealed that most of the respondents did not have knowledge of the CDF. They, therefore, neither participated in the selection of projects nor in the utilization of the fund.
 - c) Out of the interviews with the Members of Parliament, the responses could not pin-point the exact projects where the money had been spent. It was also found out that the CDF money had been banked on the MPs' personal bank accounts. Many of the MPs were further not aware of the guidelines to be followed in disbursing the money.
6. Uganda Debt Network, informed by the above study on the CDF, therefore, recommends the following;
 - The beneficiaries of the CDF in the constituencies should be involved in the selection and planning of the projects, so that they can participate in project

implementation, monitoring and evaluation. The chosen projects should be submitted and explained by the MPs to the Local Governments' planning committees, to ensure there is no duplication of the projects funded by the government.

- Whenever CDF money is disbursed, it should be publicized to create citizens' awareness and participation in the utilization and accountability of the fund. The CDF money should not be banked on the MPs' personal accounts or mixed with their other emoluments, but be banked on a separate account of Local Governments where the Chief Administrative Officers should be part of the CDF management.
- The Clerk to Parliament should work closely with the Chief Administrative Officers to ascertain the existence of a credible Constituency Committee to oversee the management of the Constituency Development Fund.
- The CDF disbursement in a given Financial Year should be accounted for within 6 months from the time of disbursement. This, therefore, should have been the case with the CDF disbursed in the FY 2005/2006. The CDF accountability and auditing procedures should be a function of the Clerk to Parliament and the Auditor General, respectively.
- The CDF should not simply be paid towards the end of any Presidential, Parliamentary term and/ or impending elections to avoid a tendency of exploiting the fund for personal political gains.

Uganda Debt Network, in a nutshell, calls upon the Executive and Parliament to enact a law and provide comprehensive guidelines to govern the management and prudent utilization of the CDF to benefit the citizens, especially the poor and marginalized.

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