

EDITORIAL

CAR

Address govt inefficiencies in infrastructure projects

Investing in infrastructure is one of the mechanisms through which a country can open up employment opportunities, enhance productivity, increase incomes and consequently the competitiveness of its economy.

Unfortunately, Uganda is not getting it right. The execution of infrastructure projects is riddled with inefficiencies that are not only failing economic development, but also hampering the improvement of living standards.

The World Bank's Economic update report titled 'Infrastructure finance deficit: Can Public-Private-Partnerships fill the gap?' indicates that while government annually spends up to \$1billion (about Shs3.6 trillion) on infrastructural development, \$300 million (about Shs1 trillion), nearly 30 per cent of the total expenditure, is lost due to inefficiencies exhibited in the course of implementation of those projects.

The issue:
Government inefficiencies.

Our view:
Government must act to fix the inefficiency in its own ranks. The buck starts with it.

ilities will remain either inadequate or poorly equipped and understaffed and therefore unable to offer proper service; the problem of low human development will persist; and the economy will slow down further and employment opportunities will shrink as potential investors look to put their money in areas with better developed and better functioning infrastructure in the form of roads and electricity.

This is a cause for worry at a time when the economy is slowing down. Preliminary Gross Domestic Product (GDP) estimates by the Uganda Bureau of Statistics (Ubos) show that Uganda's economy grew by 3.9 per cent in the financial year 2016/17.

Following the enactment in 2015 of the Public Private Partnership (PPP) Act, which provides for medium to long-term contractual arrangement between the public and private sector to finance, construct/renovate, manage and/or maintain a public infrastructure, or provision of a public service and involves sharing of both risks and rewards, government has been more inclined to go the PPP way.

The Bujagali Hydro Electric Power Station was constructed under a PPP arrangement while the Kampala-Entebbe Expressway is still under construction. Other major projects that have been lined up to be undertaken under the same arrangement include the Kampala-Jinja Expressway in conjunction with the Kampala Southern Bypass, and the Kampala-Bombo Expressway.

Government, development partners and the general public seem inclined to believe that this is the silver bullet that will cure the problem of inefficiency, but this is escapist. Government must act to fix the inefficiency in its own ranks. The buck starts with it.



M what he Sredojo manager the Ugar I too d his fame sence, he football of Nation I too star where he oach'. On Mo he was fl job. Reas ployer, tl ball Assc had com being pa news. It when he has decic of empti Ugandan h'at let...

Our commitment to you

We pledge:
• To be accurate and fair in all