**CABINET DECISIONS TAKEN DURING THE CABINET MEETING HELD ON MONDAY 5TH NOVEMBER, 2018 AT STATE HOUSE ENTEBBE.**

Cabinet:

1. Noted the progress so far made in regard to strengthening the Public Investment Management System and approved the recommendations/measures for strengthening Public Investment Management System (PIMS) and these recommendations include following:
2. Putting in place a Project Facilitation Fund to facilitate mandatory studies and also address project management capacity gaps along the project cycle;
3. Ensuring that no project is admitted into the Public Investment Plan (PIP) without comprehensive assessment, consultation with primary beneficiaries and adequate appraisal including undertaking the relevant studies and designs; and
4. Ensuring that all ongoing projects are adequately funded and new projects are only allowed into the Public Investment Plan when there is fiscal space to accommodate them.
5. Approved the proposal to borrow up to Euro 120million from the French Development Agency-AFD for the development of Water and Sanitation Infrastructure for the South Western Cluster (Mbarara-Masaka areas). The main objective of the Project is to improve the health, living standards and productivity of the population in the project areas, regardless of their social status or income through equitable provision of adequate and good quality water supply and improved sanitation services at acceptable and sustainable basis.

This will be done through upgrading, expansion and development of water and sanitation infrastructures in the following towns and settlements:

1. Mbarara Supply area and the En-route towns/rural growth centres and settlements in Isingiro district including Bukanga;
2. Masaka supply area including towns and settlements on the corridors leading from Masaka service area to Lukaya (Northeast of Masaka), Kyamulibwa (North of Masaka), Kalisizo (South West of Masaka), and Mbirizi (West of Masaka); and
3. The towns of Kyotera, Sanje, Kakuto, Mutukula, Rakai, Lyantonde, Rushere, Kazo, Kyazanga, Katovu and Sanga.
4. Approved proposal to borrow up to Euro 150million from the Agence Francaise De Development (AFD) to support the Kampala Water – Lake Victoria Water and Sanitation II Project. The objectives of the Project are:
5. To ensure adequate water provision in the Greater Kampala Metropolitan Area by addressing the growing water supply challenges through development of new infrastructure as well as rehabilitation and expansion of existing system;
6. To improve the health and living standards of the target population including the vulnerable and disadvantaged groups such as the urban poor through improved access to clean water;
7. To contribute to environmental protection and sustainability of Lake Victoria water through sludge management and ecosystem service restoration, source protection and management through wetland restoration , land use practices and reforestation among others; and
8. To ensure sustainability of water supply and sanitation services in the Greater Kampala Metropolitan Area through the establishment of efficient and effective Institutional support system.
9. Noted the insurance solutions and products being offered by the African Trade Insurance Agency (to which Uganda is a member). These products include:
10. Investment risk insurance, which protects investors against unfair action or inaction by a Government, that would negatively affect business;
11. Trade credit insurance, this protects against non-payment or delayed payment to a supplier of goods or services by a public or private buyer or bank borrower;
12. Surety bond, this protects against non-honouring of obligations related to bids, advance payments, performance contracts, customs and warehousing;
13. Political violence, terrorism and sabotage insurance. T`his protects investors against financial loses in the event of political or terrorist-motivated event; and
14. Breach of Contract Insurance for Energy Projects. This protects against non-honouring of sovereign obligations from a public utility.