



September 1995

ANNUAL REPORT 1993/94 & 1994/95

**ECONOMIC POLICY RESEARCH CENTRE
PLOT 51 POOL ROAD, MAKERERE UNIVERSITY CAMPUS
P.O. BOX 7841, Kampala
Tel: 256 41 541023/24
Fax: 256 41 541022
E-Mail eprc@mukla.apc.gn.org.**

THE ANNUAL REPORT 1993/94 & 1994/95

ECONOMIC POLICY RESEARCH CENTRE

Overview

This report covers the activities of the Economic Policy Research Centre (EPRC), since its establishment in 1993. The Grant Agreement signed by the Government of Uganda (GOU) and the African Capacity Building Foundation (ACBF) on July 9, 1993, marked the creation of the Centre. However, the Centre did not become operational until January 17, 1994, when its pioneer Executive Director, assumed office. The Centre initially operated from Metropole House, on Plot 8/10 Entebbe Road. Upon completion of its new office building on Plot 51 Pool Road, Makerere University Campus, it moved on December 28, 1994. The new building with 20 office rooms, conference centre, library, computer facilities and a canteen was built within a record time (of five and half months). It was opened by His Excellency, Mr. Yoweri Kaguta Museveni, President of the Republic of Uganda on March 20, 1995. The new Centre has become a major centre of attraction for policy discussions, research activities, seminars and workshops. On June 20, 1995, the Centre was visited by the new President of the World Bank Mr. James Wolfensohn, while on official visit to Uganda. Mr. James Wolfensohn held an **open forum on Africa's problems** at the Centre attended by many Government officials, World Bank and UNDP officials, academics and other members from the private sector.

EPRC Background

EPRC is an autonomous non-profit institution, which was created in recognition of the lack of policy oriented research and analysis needed to guide policy makers and implementors on the appropriate course of action and/or decision making in Uganda. It is designed to provide a practical response to the problems of policy formulation and analysis in Uganda and to create the necessary environment for intellectual interaction which would provide a balance among researchers, academics, politicians and policy makers.

EPRC is conceived as an institution of high level research on policy oriented issues, serving the government, the private sector, aid agencies, NGOs and the public at large. In this regard, since its establishment, EPRC has been involved in research and other activities intended to address some of the pertinent issues. The Centre has maintained close contact with the Government and the private sector in addressing some of

the problems where practical solutions can be found. It has provided the forum for policy debate and has acted as the "think tank" for policy debate and other issues on Uganda.

Management

EPRC is governed by a 13-member Board of Management. This is composed of senior administrators, leading academics and private sector managers (Appendix Table 1). Its day-to-day activities is managed by an Executive Director, who is assisted by a Programme Administrator and a number of Senior Research Associates supported by several support staff (See Appendix Tables 2 & 3). The research activities are carried out under the leadership of the Executive Director. But, each Senior Research Associate leads and supervises a team of researchers, involving several research fellows, young professionals, research assistants and other collaborative researchers.

Research Advisory Panel

As provided in the Article of Association, the Research Advisory Panel is a sub-committee of the Board of Management responsible for reviewing research proposals and evaluating research findings.

Its membership is limited to ten, although the Board of Management may co-opt any non Board member to serve in it (Appendix Table 4).

The Panel has met three times to review research proposals and evaluate some of the preliminary research findings.

Appointments Committee

The Appointments Committee is also a sub-committee of the Board of Management responsible for recruitment of staff (Appendix 5). This committee has met six times during this period to screen (shortlist), interview and make recommendations to the Board of Management for staff appointments. However, the committee has empowered the management to screen junior appointments which the committee approves.

Research Program

On the 6th. April, 1994, EPRC held an **in-house seminar** at the Sheraton Hotel, Kampala, to determine the Centre's research priority areas. The seminar was attended by EPRC Board members, government officials (some policy makers and implementors), leading academics, researchers, private sector managers, aid agencies, NGOs etc. The participants identified the following areas as the major issues of concern in Uganda. These included;

- (i) Poverty Alleviation
- (ii) Savings and Investment
- (iii) Taxation (Tax structure)
- (iv) Informal Sector Analysis
- (v) Trade Policy
- (vi) Industrial and Technological Development
- (vii) Government and Public Sector Reform
- (viii) Resource Mobilisation
- (ix) Governance

This list was further scrutinized and ranked by the EPRC Research Advisory Panel. The Board of Management upon the recommendation of the Research Advisory Panel endorsed the prioritized list as the Centre's future research focus. These were:

- (i) Poverty Alleviation
- (ii) Savings and Investment
- (iii) Taxation (Tax structure)
- (iv) Informal Sector Analysis
- (v) Trade Policy

From the above list, under the guidance of the Executive Director, EPRC researchers and other collaborators have developed a number of research proposals, which were submitted and scrutinized by the Research Advisory Panel and approved by the Board of Management (Appendix Table 6).

The Research Advisory Panel reviewed several research proposals. Some of which were approved and endorsed by the Board of Management. The approved proposals which have been initiated and are in progress, include the following:

1. The Impact of Poverty Related Programs on Poverty and Income Distribution in Uganda: the case of the Structural Adjustment Program.

Principal Investigator - Dr. Fred Opio

2. Accessibility to Formal and Informal Credit by the Poor.

Investigators - Mr John Matovu, Mr Luke Okumu and Dr Fred Opio

3. The Nature and the Determinants of Domestic Savings in Uganda.

Investigators - Dr Marios Obwona and Dr John Ddumba-Ssentamu

4. Determinants of Foreign Direct Investments and their Impact on Economic Growth in Uganda.

Principal Investigator - Dr Marios Obwona

In addition to the above, three other research proposals were prepared by the Centre and submitted to the Government of Uganda and other agencies for consideration and funding. These included;

1. A Study of the Community Based Poverty Profile in Uganda. Prepared by EPRC in collaboration with the World Bank (World Bank to seek funding).

Principal Investigator - Dr Fred Opio, Dr Marios Obwona and (Dr. David Bigman of the World Bank)

2. Potential Earnings and Enterprise Development in Small-Urban Towns of Uganda. Prepared jointly by the University of East Anglia/EPRC (submitted to DANIDA for funding).

Investigators - Dr Fred Opio and Prof. Ian Livingstone

3. A Study of the Budget Deficit in Uganda. Prepared by EPRC (submitted to the Government of Uganda for consideration and funding).

Principal Investigator - Dr Marios Obwona

Researchers at the Centre have since embarked on a number of field studies and secondary data collection. A consultant, who was recruited in December 1994, to collect secondary data for the poverty study made limited progress due to lack and nature of the data. However, significant progress was made by the principal investigator to compile some relevant data which were used to assess the poverty status in Uganda. Some of the findings were presented at various local and international poverty workshops.

In other areas, research progress reports and preliminary findings were presented to the Research Advisory Panel. Final reports were also sent to peer reviewers. Field surveys to collect information on other research activities were initiated in selected districts. Further field surveys have been planned for July, August 1995 and late in the year (see work plan 1995/1996).

When more research staff are recruited other research proposals will be developed to cover the areas as prioritized. Other research proposals will also be encouraged so that diverse policy issues are covered using mainly seconded staff from ministries and the private sectors.

Workshop/Seminar Program

The Centre has adopted thematic workshop programs to publicise and disseminate its research findings. It has also used its seminar series as a strategy for evaluating its preliminary findings and information dissemination. The Centre organised and held during this period four workshops and two seminars.

(a) Workshops

These included:

1. The Challenges of Capacity Building in Africa. This workshop was organized by ACBF and hosted by EPRC.
2. Poverty Status in Uganda. A joint workshop organised by EPRC/CSAE. Copies of the proceedings are available.
3. Information Documentation/Data Banking and Dissemination in Uganda. This workshop was initiated and coordinated by EPRC.
4. Follow-up workshop on: Information Documentation/Data Banking and Dissemination in Uganda. This follow-up workshop was to decide

on the establishment of an Information Centre for Socio-economic data accessibility in Uganda in which EPRC has been recommended.

(b) **Seminars**

These included;

1. In-house seminar on: The Research Priority Areas for EPRC.
2. The History and Political Development of Uganda, Presented by Prof. David Apter, Yale University.

In addition to the above, the Centre hosted the new President of the World Bank, Mr James Wolfensohn to an **open forum discussion** on the problems facing Africa. The Centre has continued to hold several seminar series covering some of its preliminary research findings. Other organizations have occasionally used the Centre's conference facilities to conduct seminars and workshops where EPRC staff members have also participated.

(c) **International conference/workshop**

Staff of the Centre were invited to participate and/or present papers at international conferences. The Executive Director presented papers on:

- (i) "The Prospects and Development Potential for Agriculture in the Pacific in the year 2000", a paper presented at APCC Conference on: The Future of Agriculture in 21 Century, 26-30, July 1994, Chiang Mai, Thailand. **Presenter Dr Fred Opio**
- (ii) "The Poverty Profile in Uganda", a paper presented at the World Bank Workshop on Changes in Poverty in Africa in the 1980's. **Presenter Dr Fred Opio**

The Executive Director also attended the **AERC Research Symposium** in Nairobi, Kenya and the International Centre for Economic Growth (ICEG) conference on **Structural Adjustment in Africa**, held in Harare, Zimbabwe.

It should be noted that financial support for the Executive Director to attend

these conferences were provided by the organisers and/or external agencies. Due to limited funds provided for in the budget for conferences, it became difficult to finance staff to attend international conferences.

However, at the local scene, research staff members have regularly participated at various workshops and some have contributed as resource persons.

Publications

The Centre has initiated many publications. These include the “**Economic Policy Bulletin**”, a biannual publication which is expected to attract many readers and article contribution after its successful launching in March 1995. Research staff of the Centre are also encouraged to publish research articles in reputable journals. A list of the Centre’s publications is given in Appendix Table 6.

Consultancy Program

As a sustainability strategy, the staff of EPRC were also engaged in consultancy work. But, this depended on their research/work commitments. During this period, the Centre offered three consultancy services to the World Bank, viz;

- (i) Review of the performance of Technical Assistance Projects under TA I & II.
- (ii) Review of the performance of the Uganda Revenue Authority (URA) since its inception.
- (iii) Review of the performance of Uganda Custodian Board.

These consultancies were successfully completed and the final technical reports, which were submitted to the World Bank, Head Office in Washington, were approved. It should be noted that the Centre received a number of requests from various organizations to undertake consultancy services, but had to decline some of them, due to prior work commitments.

The Young Professional/Training Program

The “Young professional” scheme is regarded as the brainchild of EPRC, which is intended to build capacity for future policy research and formulation in Uganda. The

scheme is intended to provide on-the-job training to graduates of economics and related disciplines.

Two young professionals joined as staff of EPRC in November 1994. As planned, they will be provided staff attachments at our link institutions and/or other prominent institutions in October 1995. Annual recruitment of two young professionals will be undertaken to ensure continuity of the program.

Arrangement for attachment at the Centre for the Study of African Economies, Oxford University for Mr John Mary Matovu was completed. Mr Matovu has secured a Rhodes Scholarship for a D.Phil at Oxford University which will run simultaneously with his attachment. A similar attachment for Mr Luke Okumu is being arranged at the University of Warwick, U.K.

Staff Secondment

The Centre has initiated a "staff secondment" scheme for civil servants and private sector managers. While this is not yet operational, it is expected to take-off during the third quarter of 1995, when the funds are released by the Government.

The aim of the scheme is to encourage civil servants and private sector managers involved in policy formulation and implementation to gain experience, acquire some knowledge and understand the process of policy formulation. This would not only build capacity in them but enable them to influence the process of decision making and policy implementation. The attachment which will be for not more than 12 months, will be determined by the respective Ministry/Department, based on the nature of the problem(s) that the Ministry/Department wishes to investigate. The attachee will be required to prepare a research proposal to be approved by the EPRC Research Advisory Committee.

Twinning/Linkage and Networking

The Centre has established formal linkage with the Centre for the Study of African Economies (CSAE), University of Oxford, U.K. It has initiated contacts with several international institutions (viz; University of Havard, Havard Institute of Development (HID), Australian National University, Centre for Development Studies, University of Gothenburg, Faculty of Economics, Sweden, McGill University, Policy and Management Unit, Canada, University of Bradford, Centre for Project Planning and Management, UK and University of Manchester, School of Economics and Social Sciences, UK). The objective is to establish long-term linkage arrangements for staff attachments, research collaboration, staff exchange, etc.

The demand for socio-economic data and other information on the economy has

created the need for information documentation and data banking. The Centre has initiated a networking system for information generators and users in Uganda. The Centre has been recommended as the focal point for information documentation and dissemination. This will be a one-stop point for those seeking specialized information on Uganda. A system of networking among information generators and users will be established coordinated by the EPRC library.

Problems

1. Appreciation of the Uganda Shillings against United States dollars.

The rapid appreciation of the Uganda Shillings against the United States dollar, upon which the Centre's operating budget is based, depreciated the grant allocation by more than 20 per cent. This simultaneously precipitated staff salaries, benefits and other Centre's financial operation. Consequently, the Centre experienced serious financial difficulties in meeting its contractual obligation for the new office building. However, the government allocation of Ug. Shs. 50.0 million, enhanced the Centre's capacity to meet its obligations.

But, as the Centre is still not able to adjust its budget lines due to the nature of the initial budget and the depreciation of the dollar, ACBF should give some consideration to the grant re-alignment (top-up of initial grant by 25 per cent) to account for the shilling appreciation.

2. Slow recruitment process vs staff turnover

The process of recruiting staff takes six to nine months. This period is desirable to ensure that staff are selected on merits and the best applicant is given the chance to be recruited. This also ensures transparency. But due to job insecurity, short term contract, many potentially good applicants are discouraged and those who accept the appointment, soon find that they can get better conditions elsewhere. Hence many appointees have changed their minds.

The Centre has not been able to fill all the Senior Research Associates positions. Despite wide publicity, even non-Ugandan candidates now seem reluctant to take up the positions. The idea of short-term contracts for non-African which was proposed by the EPRC Board of Management but was not supported by ACBF was expected to minimize staffing problems in the short-term. However, at the current salary rates, few international researchers have shown interest to take up positions at the Centre.

Ideally, as a capacity building institution preference should be given to Ugandans, but the main problem is that there are very few qualified economists in the country. These are generally reluctant to move from their current positions because of job insecurity feeling, given the short (two year) contract period. This may have to be

reviewed to ensure the sustainability of the Centre.

Work Programme 1995/1996

In the main the Centre will concentrate on research activities covering mainly priority areas (Appendix Table 9). However, to ensure long-term sustainability, the Centre will also provide some consultancy services as an income generating activity. Other activities will include staff training, staff exchange with twinning institutions, administration of research (including the Agricultural Policy Research Fund (APRF)), staff secondment and the Young Professional training schemes.

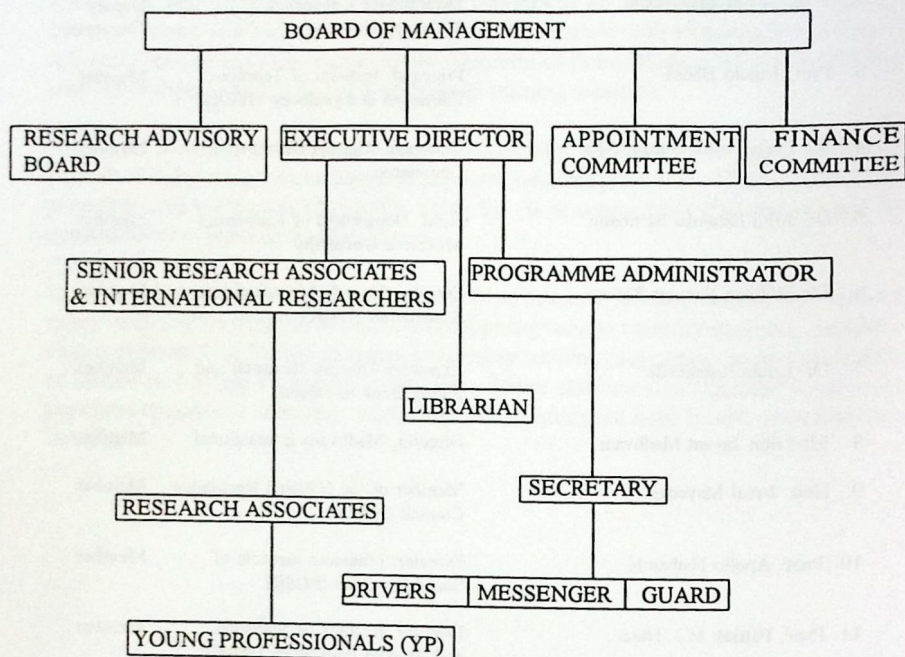
All Senior Research Associates, Research Associates and joint researchers will individually develop programmes based on approved research proposals. These are broadly presented under research (Appendix Table 9). It is conceivable that these may be expanded to accommodate what comes in.

In view of the collaborative efforts the Centre has initiated, it is anticipated that several senior staff will be involved in supervision of post-graduate research students, supervision/coordination of foreign students, in-ternship training programme from University of McGill and acting as external examiners. Senior staff are also expected to present papers/participate at seminars, workshops and conferences both locally and internationally.

Appendix Table 1. EPRC BOARD OF MANAGEMENT

1. Mr. Emmanuel Tumusiime-Mutabile	Permanent Secretary/Secretary to Treasury Ministry of Finance and Economic Planning	Chairman
2. Prof. Justin Epelu-Opio	Deputy Vice Chancellor Makerere University	Deputy Chairman
3. Prof. Lutalo Bbosa	Principal, Institute of Teachers' Education at Kyambogo (ITEK)	Member
4. Mr Hajji Badru Bunkeddeko	Chairman, Uganda Chamber of Commerce	Member
5. Dr. John Ddumba Ssentamu	Head, Department of Economics Makerere University	Member
6. Dr. William Samson Kalema	Director, Uganda Manufacturers Association (UMA)	Member
7. Dr. Louis Kasekende	Executive Director Research and Policy, Bank of Uganda	Member
8. Mr Nitin Jayant Madhvani	Director, Madhvani International	Member
9. Hon. Isreal Mayengo	Member of the National Resistance Council (NRC)	Member
10. Prof. Apollo Nsibambi	Director, Makerere Institute of Social Research (MISR)	Member
11. Prof. Patrick M.J. Ntozi	Director, Institute of Statistics and Applied Economics (ISAE)	Member
12. Dr. Zerubabel M. Nyiira	Executive Secretary Uganda Council for Science and Technology (UNCST)	Member
13. Prof. Erisa Olwenyi Ochieng	Director, Ministry of Finance and Economic Planning (MFEP)	Member
14. Mr. Timothy Lamont	Economic Adviser, Ministry of Finance and Economic Planning (MFEP)	Member (Ex-Officio)
15. Dr. Fred Opio	Executive Director, Economic Policy Research Centre (EPRC)	Member (Ex-Officio)
16. Mrs. Evelyn Nkalubo-Muwemba	Programme Administrator, Economic Policy Research Centre (EPRC)	Secretary

Appendix Table 2: ECONOMIC POLICY RESEARCH CENTRE
- ORGANIZATION CHART



Appendix Table 3. ECONOMIC POLICY RESEARCH CENTRE SECRETARIAT (TECHNICAL STAFF)

Dr. Fred Opiyo	PhD (Manchester), M. Econ., Dip. Ag. Econ (UNE), BSc.(WVA)	Executive Director
Dr. Marios Obwona	PhD (ANU), M. Econ (London), BSc. Stat.(MUK)	Senior Research Associate
Mrs. Evelyn Nkalubo-Muwemba	MBA (Sterling), Dip. Legal Prac., LLB (Muk)	Programme Administrator
Ms. Semmy Rose Ameri	M. Lib (New S. Wales), B.A Econ. Dip. Lib.(PNG).	Librarian
Mr. Luke Jovita Okumu	M. A. Economics, BSc. Stat.(MUK)	Young Professional
Mr. John Mary Matovu	MPhil. Econ (Cantab), BSc.Stat.(MUK)	Young Professional

Appendix Table 4. RESEARCH ADVISORY PANEL

1. Dr. Fred Opio	Executive Director, Economic Policy Research Centre (EPRC)	Chairman
2. Dr. John Ddumba Ssentamu	Head, Department of Economics Makerere University	Member
3. Dr. William Samson Kalema	Director, Uganda Manufacturer Association (UMA)	Member
4. Mr Nitin Jayant Madhvani	Director, Madhvani International	Member
5. Dr. Zerubabel M. Nyiira	Executive Secretary Uganda Council for Science and Technology (UNCST)	Member
6. Prof. Erisa Olwenyi Ochieng	Director, Ministry of Finance and Economic Planning (MFEP)	Member
7. Mr. Timothy Lamont	Economic Adviser, Ministry of Finance and Economic Planning (MFEP)	Member (Ex-Officio)
8. Mr. D. M. Bamuleseyo	Director of Research, Uganda National Chamber of Commerce and Industry	Member
9. Mrs. Evelyn Muwemba-Nkalubo	Programme Administrator, Economic Policy Research Centre (EPRC)	Secretary

Appendix Table 5. APPOINTMENTS COMMITTEE

1. Prof. Justin Epelu-Opio	Deputy Vice Chancellor Makerere University	Chairman
2. Dr. William Samson Kalema	Director, Uganda Manufacturer Association (UMA)	Member
3. Mr Nitin Jayant Madhvani	Director, Madhvani International	Member
4. Dr. Fred Opio	Executive Director, Economic Policy Research Centre (EPRC)	Member
5. Prof. Erisa Olwenyi Ochieng	Director, Ministry of Finance and Economic Planning (MFEP)	Member
6. Mr. Timothy Lamont	Economic Adviser, Ministry of Finance and Economic Planning (MFEP)	Member
7. Mrs. Evelyn Nkalubo-Muwemba	Programme Administrator, Economic Policy Research Centre (EPRC)	Secretary

Appendix Table 6. EPRC THEMATIC RESEARCH APPROVED PROPOSALS

Code	Project Title	Researcher	Approved Funds	Research Status
94/1	Impact of Poverty Related Programmes on Poverty and Income Distribution	Dr. F. Opio	\$ 36,839.00	IP
95/1	Accessibility to Formal and Informal Credit by the Poor.	Mr John Matovu Mr Luke Okumu and Dr Fred Opio	\$ 7,610.00	IR
95/2	The Nature and the Determinants of Domestic Savings in Uganda.	Dr Marios Obwona Dr John Ddumba-Ssentamu	\$ 28,820.00	IP
95/3	Determinants of Foreign Direct Investments and their Impact on Economic Growth in Uganda.	Dr Marios Obwona	\$ 23,650.00	IP
		Total (EPRC Research Grants)	\$ 96,919.00	
95/4	Community Based Poverty Profile in Uganda.	Dr Fred Opio, Dr Marios and Dr.David Bigman	\$ 45,000.00 (World Bank funding)	JI
GRAND TOTAL		\$141,919.00		

IP = In Progress, IRP = Interim Report Presented, JI = Just Initiate

Appendix Table 7. LIST OF PUBLICATIONS 1993/94 AND 1994/95

1. "EPRC Research Priority Areas." The Proceeding of an In-house Seminar, held at the Sheraton Hotel, Kampala, 6th April 1994.
2. **Opio F.A., 1994.** "Prospects and Potential for Agricultural Development in the Pacific in the Year 2000." In the Proceeding of the APCC Workshop on: Agriculture Development in Asia and the Pacific in the Year 2000, Chiang Mai, Thailand. July 18-22, 1994.
3. **Opio F.A., 1994.** "Uganda Poverty Profile" in the Proceeding of the World Bank Workshop on: Changes in Poverty in Africa in the 1980's, Washington DC, 22-24 Sept. 1994.
4. "Poverty Status in Uganda." Proceeding of EPRC/CSAE Workshop held at EPRC Conference Centre, 20th-21st March 1995.
5. "The Process of Economic Policy Formulation in Uganda". Economic Policy Bulletin, Volume 1 No. 1, 1995
6. **Obwona M. 1995.** Basic Statistics. Published by the Economic Policy Research Centre, 1995.
7. **Obwona M, 1995.** "The Budget and the Economy". The Ugandan Banker, Vol. 3. No. 2 PP 10-13.
8. **Obwona M, 1995.** "Is Uganda's Current Account Sustainable?" The Ugandan Banker Vol. 3 No. 2 PP 42-46.

Appendix Table 8. DATES OF EPRC MAIN EVENTS DURING 1993/94 AND 1994/95

Dates	Events	Location
April 15, 1993	Inaugural Board of Management Meeting	MFEP Board Room
June 10, 1993	2nd. Board of Management Meeting	MFEP Board Room
July 9, 1993	Signing of Grant Agreement	ACBF Harare
August 3, 1993	2nd. Board of Management Meeting	MFEP Board Room
October 18, 1993	4th. Board of Management Meeting	MFEP Board Room
January 17, 1994	5th. Board of Management Meeting	MFEP, Board Room
April 6, 1994	In-house Seminar on Research Priority	Sheraton Hotel
April 6, 1994	6th. Board of Management Meeting	Sheraton Hotel
August 3, 1994	7th. Board of Management Meeting	MFEP Board Room
October 12, 1994	8th. Board of Management Meeting	MFEP Board Room
January 12, 1995	9th. Board of Management Meeting	MFEP Board Room
January 24-26, 1995	ACBF Conference on: Challenge of Capacity Building in Africa	Sheraton Hotel
March 14, 1995	Seminar on: Uganda Political History by Prof. David Apter, Yale University	EPRC Conference Room
March 20, 1995	Inaugural Opening of EPRC new Office Building by His Excellency the President	EPRC Offices
May 17, 1995	9th. Board of Management Meeting	MFEP Board Room
June 20, 1995	Forum on Africa's Development Problems Presented by the World Bank President Mr. James Wolfensohn	EPRC Conference Room

		JUNE	JULY	AUG.	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE
ACTIVITIES					1995							1996		
A. Research														
1	Research Study													
(i)	Specialist Assessment													
(ii)	Rural Credit													
(iii)	Community based Poverty Profile													
(iv)	Poverty Monitoring													
2. Fiscal Policy - Savings & Investment														
(i)	Nature & Determinants of Domestic Savings													
(ii)	Determinants of Foreign Investment													
(iii)	Earnings & Development Potential													
(iv)	Budget Deficit													
(v)	CDE Modeling													
3	Taxation													
4	Trade Policy													
B. WORKSHOPS/SEMINARS/CONFERENCES														
LOCAL														
(i)	EPIC Workshops/Seminars													
(ii)	Other Workshops (specify participants & resource person)													
QUESTIONS														
(i)	International Conference (participants)													
(ii)	International Conference (resource person)													
C. LIBRARY PROGRAMME (SPECIFY)														
Setting up														
Ordering of books etc														
Cataloguing														
D. TRAINING/ATTACHMENTS														
(i)	EPIC staff (study visit/assignments)													

N.B. If you need the information required in this form is not adequate please indicate or list them under item H and specify

(1)	Secretariat to EPIC Meetings & Offices	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE
(2)	Staff of Link Institutions to EPIC													
(3)	RESEARCH SUPERVISION/TEACHING													
(4)	Postgraduate student supervision													
(5)	Teaching (part-time only)													
(6)	Other research supervision/teaching													
(7)	MEETINGS													
(8)	EPIC Board of Management													
(9)	International Meeting (EPIC Staff)													
(10)	Visitors													
(11)	Advisors													
(12)	Other													
(13)	OTHER ACTIVITIES													
(14)	Administrative													
(15)	Extra-curricular													
(16)	Workshops on research													
(17)	EPIC Workshops on Information Documentation													
(18)	EPIC Summer or "Special Advancement and Poverty in Africa" by World Bank Chief Economist - Africa Region, Prof. Kanbur													
(19)	Workshops on research													
(20)	Workshops on research													
(21)	Workshops on research													
(22)	Workshops on research													
(23)	Workshops on research													
(24)	Workshops on research													
(25)	Workshops on research													
(26)	Workshops on research													
(27)	Workshops on research													
(28)	Workshops on research													
(29)	Workshops on research													
(30)	Workshops on research													
(31)	Workshops on research													
(32)	Workshops on research													
(33)	Workshops on research													
(34)	Workshops on research													
(35)	Workshops on research													
(36)	Workshops on research													
(37)	Workshops on research													
(38)	Workshops on research													
(39)	Workshops on research													
(40)	Workshops on research													
(41)	Workshops on research													
(42)	Workshops on research													
(43)	Workshops on research													
(44)	Workshops on research													
(45)	Workshops on research													
(46)	Workshops on research													
(47)	Workshops on research													
(48)	Workshops on research													
(49)	Workshops on research													
(50)	Workshops on research													
(51)	Workshops on research													
(52)	Workshops on research													
(53)	Workshops on research													
(54)	Workshops on research													
(55)	Workshops on research													
(56)	Workshops on research													
(57)	Workshops on research													
(58)	Workshops on research													
(59)	Workshops on research													
(60)	Workshops on research													
(61)	Workshops on research													
(62)	Workshops on research													
(63)	Workshops on research													
(64)	Workshops on research													
(65)	Workshops on research													
(66)	Workshops on research													
(67)	Workshops on research													
(68)	Workshops on research													
(69)	Workshops on research													
(70)	Workshops on research													
(71)	Workshops on research													
(72)	Workshops on research													
(73)	Workshops on research													
(74)	Workshops on research													
(75)	Workshops on research													
(76)	Workshops on research													
(77)	Workshops on research													
(78)	Workshops on research													
(79)	Workshops on research													
(80)	Workshops on research													
(81)	Workshops on research													
(82)	Workshops on research													
(83)	Workshops on research													
(84)	Workshops on research													
(85)	Workshops on research													
(86)	Workshops on research													
(87)	Workshops on research													
(88)	Workshops on research													
(89)	Workshops on research													
(90)	Workshops on research													
(91)	Workshops on research													
(92)	Workshops on research													
(93)	Workshops on research													
(94)	Workshops on research													
(95)	Workshops on research													
(96)	Workshops on research													
(97)	Workshops on research													
(98)	Workshops on research													
(99)	Workshops on research													
(100)	Workshops on research													

N.B.: If you had the information required in this form is not adequate please indicate or list them under item 1) and specify.

Since the establishment of the Centre, its financial accounts has been audited twice by Coopers and Lybrand (U) Ltd. The auditors reports are provided in Appendix Table 8.

**REPORT OF THE AUDITORS TO THE BOARD OF MANAGEMENT OF
THE ECONOMIC POLICY RESEARCH CENTRE**

We have audited the accounts set out on page 3 to 14. The accounts are in agreement with the books of account. We obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

The Board of Management is responsible for the preparation of accounts which give a true and fair view of the Centre's state of affairs and its financial statements. Our responsibility is to express an independent opinion on the accounts based on our audit and to report our opinion to you.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform our audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the accounts. It also includes an assessment of the accounting policies used and significant estimates made by the directors, as well as an evaluation of the overall presentation of the accounts.

In our opinion proper books of account have been kept and the accounts give a true and fair view of the state of affairs of the company at 30 June 1995 and of its support and revenues expenses and changes in the funds balances for the then ended.

**Chartered Accountant
Coopers and Lybrand**

Table I: Statement of Support
and Revenue, Expenses and Balances.
30 June 1995 and 30 June 1994

Support and Revenue	1994/95 US\$	1993/94 US\$
Grants from ACBF	445,600	183,289
Grants from Uganda government	54,434	-
Other income	9,208	569
Total Revenue	509,242	183,858
Expenditure		
Personnel salaries and benefits	95,529	25,572
Research and publications	18,636	764
Operations and maintenance	34,855	31,354
Contingency	32,046	7,667
	181,066	65,357
Surplus of income and expenditure	328,176	118,501
Accumulated fund at the beginning of the year	118,501	-
Accumulated fund at the end of the period	446,677	118,501

Source: Audit Reports 1994 and 1995

**Table II Balance Sheet -
30 June 1994 and 30 June 1995**

	Note	1994/95 US\$	1993/94 US\$
Fix Assets			
Current Assets	4	398,687	39,731
Payments			
Cash and bank balances	4	-	2,265
		58,042	79,839
	5	58,042	82,104
Current Liabilities			
Creditors	6	10,052	3,334
Net Current Assets		47,990	78,770
		<hr/>	<hr/>
		446,677	118,501
Financed by:			
Accumulated fund	7	446,677	118,501
		<hr/>	<hr/>

The accounts were approved by the Board of Management on..... and are signed on its behalf by:

.....DIRECTOR

..... DIRECTOR

Separate Reports of the auditors are available.

TABLE III Statement of Source
and Application of Funds for
the year ended 30 June 1995
and 30 June 1994

	1994/95 US\$	1993/94 US\$
Operating Surplus	328,176	118,501
Adjustment for items not involving the movement of funds:		
Depreciation	16,554	-
Funds generated from operations	344,730	118,501
Application of Funds		
Purchase of fixed assets	375,510	39,731
(Increase)/decrease in working capital:		
Debtors	(2,265)	2,265
Creditors	(6,718)	(3,334)
	(21,797)	79,839
Increase/(Decrease) in Liquid funds		
Bank and cash balances	(21,797)	79,839

Table IV Disbursement from
funding agency "African
Capacity Building Foundation"

Total approved grant disbursement there from July 1993 to 30-6-94 and during 12 months to 30-6-95	183,298.17 445,599.51	1,500,000.00
Total disbursement		628,888.68
30-06-95 balance not yet disbursed		871.111.32

Under Article II Section 2.01 of the grant agreement, signed on 9 July 1993, the approved grant of US\$ 1,500,000 is to be disbursed over 4 years. Also section 2.04 states that the grant account shall be closed, and the recipient's right to withdraw from the grant account terminated on the closing date - July 1997 or such later date as ACBF after consultation with the recipient (EPRC), may establish.

Table V	Capital Expenditure	1994/95	1993/94
C001	Building	274,548	3,240
C002	Furniture	32,108	4,456
C003	Office Equipment	10,877	15,370
C004	Computers	32,479	-
C005	Vehicles	21,688	16,665
C006	Library set-up	3,810	-
TOTAL		<u>375,510</u>	<u>39,731</u>

Table VI: Operating Expenses

	1994/95 US\$	1993/94 US\$
Salaries and Wages		
IIP001 Executive Director	41,826	18,311
IIP002 Senior Research Associates	12,000	-
IIP003 Programme Administrator	15,344	5,285
IIP004 Young Professionals	11,000	-
IIP005 Librarian	3,172	-
IIP006 Personal Secretary	6,640	919
IIP007 Accounts Clerk	0.00	-
IIP008 Computer Secretary	727	-
IIP009 Driver	2,009	408
IIP010 Telephone Operator	0.00	-
IIP011 Cleaner	1,361	465
IIP012 Messenger	218	-
IIP013 Guard	1,231	184
	95,529	25,572

Research Expenses

IIR001 Research	6,664	-
IIR002 Consultancies	1,656	-
IIR003 Publications	6,241	-
IIR004 Workshop and Seminars	826	764
IIR005 Library Supplies	3,248	-
	<hr/>	
	18,636	764

Operations and Maintenance Expenses

IV001 Office supplies	6,428	1,830
IV002 Utilities	4,129	1,050
IV003 Vehicle operations and maintenance	6,242	1,040
IV004 Office equipment maintenance	1,117	-
IV005 Office maintenance	4,149	-
IV006 Insurance	1,095 ^{*1}	158
IV007 Rent	7,200 ^{*2}	5,700
IV008 Twinning	-	-
IV009 Recruitment	249	16,712
Allowances to Board of Management	4,246	4,864

TOTAL	34,855	31,354
--------------	---------------	---------------

Contingency

Bank charges	1,819	241
Audit fees	3,627	3,334
Legal fees	54	-
Medical allowances	2,072	-
Travel abroad	5,292	3,335
Marketing EPRC		757
757		
Loss on exchange	2,628	-
Depreciation	16,554	-
	32,046	7,667

Grand total (Operating expenses)	181,066	65,357
---	----------------	---------------

^{*1} Includes advance payment of Us \$ 1065 which was made in previous fiscal year but meant to cover fiscal year 1994/95

^{*2} Includes advance payment of Us \$ 1200 which was made in the previous year but meant to cover in fiscal year 1994/95

NOTES TO THE ACCOUNTS - 30 JUNE 1995 (continued)

Table VII Summary of Expenditure according to Budget Categories (ACBF FUNDING SOURCE)

Category	Approved budget	Previous Disbursements cumulative	this period	Cumulative disbursement	Unspent balance carried forward USD
	US\$	US\$	US\$	US\$	
1. Capital cost	395,000	39,731	375,510	415,241	(20,241)
2. Personnel salaries and benefits	554,000	25,572	95,529	121,101	432,899
3. Research and publication	284,500	764	18,636	19,400	265,100
4. Operating and maintenance	214,000	31,354	34,839	66,193	147,807
5. Contingency	52,500	7,667	32,046	39,713	12,787
	1,500,000	105,088	556,560	661,648	838,352**

** Unspent balance as % of total grant is about 56%.

Note.

1. (AFRICAN CAPACITY BUILDING FOUNDATION) agreed to finance the budget as shown above.
2. The government of Uganda extended grants to the Centre as shown in Note No. 9 to the accounts. This grant will be used to finance shortfall in the budget.

NOTES TO THE ACCOUNTS 1993/94 AND 1994/95

1. Nature of the Organisation

Economic Policy Research Centre (EPRC) was incorporated on 31 March 1993 under section 16(1) of the Companies Act as a company limited by guarantee and not having share capital. The board of trustees of this company is referred to as the board of management. It is an autonomous non-profit making organisation, financed by the African Capacity Building Foundation (ACBF), a subsidiary of the World Bank. The Centre will involve in high level economic policy oriented research and consultancies aimed at enhancing and building the national capacity for economic management policy formulation/analysis and decision making. EPRC's research priority will focus on savings and investments, poverty alleviation, tax structure, informal sector and trade policy.

2. Accounting Policies

(i) Basis of accounting

The accounts have been prepared on an accruals basis.

(ii) Local Currency Transactions

Transactions denominated in Uganda shillings are translated to US dollars at an average rate of exchange ruling at the date of the transaction.

(iii) Fixed assets

Tangible fixed Assets are stated at cost less accumulated depreciation. Depreciation is calculated to write down the cost of fixed assets on a straight line basis over their expected useful lives. The annual rates used for this purpose are:

	%
Buildings	-
Motor vehicles	25
Office equipment	12 $\frac{1}{2}$
Computers	12 $\frac{1}{2}$
Library set-up	12 $\frac{1}{2}$

Printed by.

UCA BUSINESS SERVICES LIMITED

P. O. Box 2215 Kampala