

## INFLUENCING IN THE TIME OF COVID-19 & BEYOND



Welcome to HECA Voice, our monthly HECA newsletter containing the latest news, updates and insights from Oxfam in the Horn East and Central Africa (HECA) region – Burundi, DR Congo, Ethiopia, Kenya, Rwanda, South Sudan, Somalia, Sudan, Tanzania, and Uganda.

The newsletter provides a snapshot of the latest developments on work around our HECA vision programmatic priorities and how the issues therein have been highlighted further as a result of the COVID-19 pandemic. On tackling inequality, we continue to address issues around civic engagement and space, promoting fair fiscal management and addressing gender-based socio-economic disparities.

On transforming conflicts and crises we continue to address the underlying causes of crisis in the region. The intersectionality of multiple crisis; COVID-19, climate change re-emphasize the need for broad based social protection systems that address the needs of vulnerable communities in urban areas and displaced persons including refugees.

The COVID-19 pandemic is triggering re-configurations of power on many fronts. Our commitment to localisation as part of the Charter for Change, coupled with the

new context has moved HECA countries to be more intentional and pay greater attention to transformative partnerships with local and national actors.

As part of Oxfam's continued focus on the impact of COVID-19 and the inequalities being exacerbated by the virus, this month our focus for the newsletter is on the human cost of COVID-19 in the HECA region.

The newsletter also shares a farewell note from our Regional Director Lydia Zigomo who will be taking up a new role as the Global Programs Director at Oxfam International.

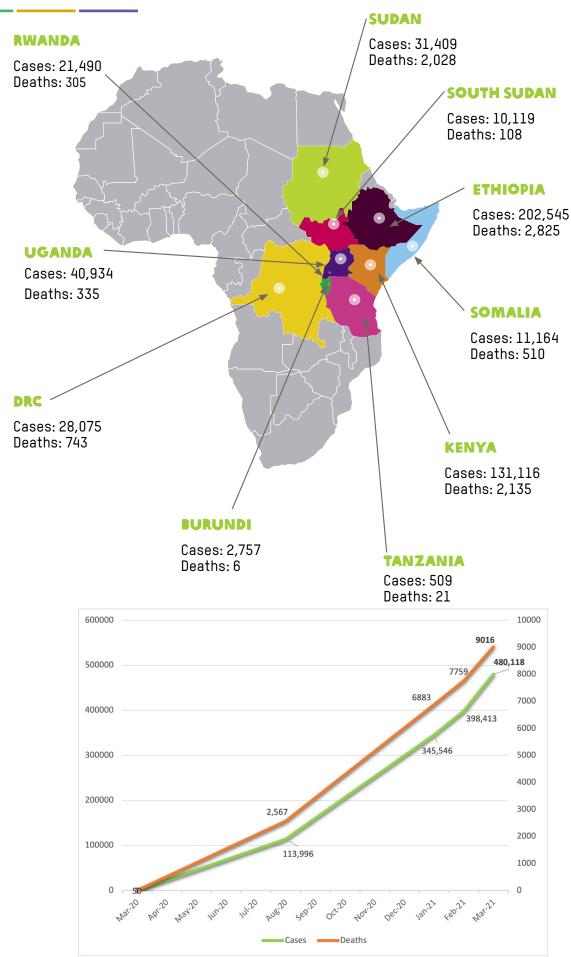
We also bring you highlights of how the oil recoverable costs could erode Uganda's petroleum revenue gains as well as how Kenya and Uganda's food ban presents an opportunity to address food safety in the region.

Your readership and feedback is appreciated. Please feel free to reach us on martin.namasaka@oxfam.org.

## LATEST UPDATES FROM THE HECA REGION

Country	Update
Burundi	<ul> <li>UN urges Burundi's President to improve human rights</li> <li>Burundi's truth and reconciliation commission presents new findings</li> <li>How to end domestic violence: Burundi's lessons for the world</li> </ul>
DRC	<ul> <li>EAC states eager to get DRC on board, eye market of 87m people</li> <li>UN: Armed group in northeastern DRC goes on killing rampage</li> <li>Republic of Congo opposition candidate dies of COVID-19</li> </ul>
Ethiopia	<ul> <li>Hunger and disease rife among displaced as aid workers gain access to new parts of Tigray</li> <li>Ethiopia open to AU probe into Tigray rights abuse allegations</li> <li>UNICEF points to continuing crisis for children in Tigray region</li> <li>Ethiopia bans entry of people with COVID-19</li> </ul>
Kenya	<ul> <li>Kenya issues ultimatum to UNHCR to close Dadaab, Kakuma refugee camps</li> <li>COVID-19 deadly third wave in Kenya sparks gradual shut-down</li> <li>One in ten Kenyans face crisis levels of food insecurity</li> </ul>
Uganda	<ul> <li>UN appeals for \$266M to end food cuts to millions of refugees in Eastern Africa</li> <li>Uganda starts vaccinating citizens against COVID-19</li> <li>Uganda's coffee exports increase despite COVID-19 market disruptions</li> </ul>
Rwanda	<ul> <li>Rwanda vaccinates refugees and asylum-seekers against COVID-19</li> <li>Rwanda leads region in COVID-19 vaccination</li> <li>Rwanda upgrades testing capacity, finds UK, South Africa virus variants</li> </ul>
Sudan	<ul> <li>Sudan requests UN, US, EU help to resolve dam conflict with Ethiopia</li> <li>World Bank strengthens its 'Marshal Plan' for the poor in Sudan</li> <li>Sudan to access \$2B in World Bank grants after settling debts</li> <li>Sudan gov't and SPLM-N sign agreement to pave way for peace talks</li> </ul>
Somalia	<ul> <li>Let the Somali women lead</li> <li>Severe water shortages leave 70% of families without safe drinking water</li> <li>Somalia appeals for funding to help 2.7m people facing acute food insecurity</li> <li>Somalia's women voices: Pushing for gender-inclusive representation</li> </ul>
South Sudan	<ul> <li>NGOs ask the UK gov't not to cut aid to South Sudan as threat of famine looms</li> <li>UN seeks \$1.7B to help 6.6M people in South Sudan in 2021</li> <li>UN urges accountability for key figures supporting militias in South Sudan's greater Jonglei region</li> <li>EU sanctions South Sudan general over human rights violations</li> <li>South Sudan receives first batch of AstraZeneca COVID-19 vaccines</li> </ul>
Tanzania	<ul> <li>Samia Suluhu Hassan becomes Tanzania's first woman president</li> <li>New COVID-19 variant found in travellers from Tanzania</li> <li>Hundreds fleeing Palma attacks reach Tanzania border, appeal for aid</li> </ul>

## **CONFIRMED CASES OF COVID-19 IN HECA**



2020-2021 COVID-19 cases and deaths in HECA. Updated on 30th March 2021. Source: https://africacdc.org/covid-19/

# OVERVIEW OF HECA COVID-19 RESPONSE

As of 30th March 2021

COUNTRIES	TYPE OF RESPONSE	PROGRAMME SECTORS
Burundi	Programme/Advocacy	WASH
DRC	Programme/Advocacy	WASH, Protection
Ethiopia	Programme/Advocacy	WASH, EFSVL, Cash
Kenus	Programme/Advocacy	WASH, EFSVL, Cash, Social
Kenya		Protection, Gender
Rwanda	Programme/Advocacy	WASH, Gender
Somalia	Programme/Advocacy	WASH, EFSVL, Cash, Protection
South Sudan	Programme/Advocacy	WASH, EFSVL, Cash, Education
Sudan	Programme/Advocacy	WASH, EFSVL
Tanzania, United Republic of	Programme/Advocacy	WASH, EFSVL, Gender
Uganda	Programme/Advocacy	WASH, EFSVL, Cash, Protection

COUNTRY	EA	TOTAL PEOPLE REACHED
Burundi	Oxfam Novib	64,736
DRC	OGB	864,928
Ethiopia	OGB	99,114
Kenya	OGB	1,028,778
Rwanda	OGB	44,041
Somalia	Oxfam Novib	1,672,769
South Sudan	OGB	349,610
Sudan	OUS	258,000
Tanzania, United		74,772
Republic of	OGB	
Uganda	Oxfam Novib	360,773
		4,817,521
TOTAL		
TOTAL		Persons with disabilities – 4534 (1% of total number
		of people reached)

COLINTRIEC	# OF PARTNERS	FUNDING
COUNTRIES		% of funding
Burundi		
DRC		9%
Ethiopia		
Kenya	8	
Rwanda	3	95%
Somalia	5	53%
South Sudan	8	20%
Sudan	4	21%
Tanzania, United	2	
Republic of		30%
Uganda	41	36%
TOTAL	71 partners	Estimated 9% of regional secured funding

EA	TOTAL PEOPLE REACHED
Oxfam Novib	2,098,278
OGB	2,461,243
OUS	258,000
TOTAL	4,817,521

## A FINAL WORD FROM THE OUTGOING REGIONAL DIRECTOR'S DESK



Lydia Zigomo

As I exit the Horn East and Central Africa (HECA) region in my role as the Regional Director, I wanted to take a moment to reflect on the 4-year journey we have been in the region, noting the fact that this is happening at the end of the financial year 2020/21, and in a month where we have been commemorating key global events around women, COVID-19 and water.

The last 4 years of my time in Oxfam HECA, have been characterised by turbulence, much laughter, and some amazing collaborations and work. When I started, most countries did not understand what Oxfam International was, and how they would navigate the OI/EA/PA model, and what the role of the new Regional Platform (RP) was. Similarly, as we hired people onto the RP it was a difficult task to explain the model and understand how we would work with so many stakeholders in a way that did not add to the confusion of the country programmes. We started at ground zero, and for 4 months I was alone at the HECA regional platform until I recruited Molly as the Human Resource Business Partner and then Irene as my Executive Assistant. What followed was a very slow process of 18 months recruiting the rest of the RP team, with many challenges along the way.

The work to unite the region around a regional vision was one of the ways we decided would enable us to move from a disjointed collection of countries that did not necessarily see themselves as being part of one overall region. The regional vision became a rallying call to galvanise collective action and articulate

the ambitions of the region as a contribution to the Oxfam strategic goals. That vision also spoke to the expectations partners have of Oxfam. The process of developing the regional vision united the RGG and RLT working together with the RP, culminating in an extraordinary regional meeting that adopted the regional vision in September 2019.

We have had some amazing RLTs, with fierce competition emerging among the countries, notably Rwanda, Tanzania and Uganda, to see who could host the most exciting and action-packed RLT, including lively exchanges with partners and local staff.

It has been a privilege to visit all the countries in the HECA region and get to understand the challenges of some of the contexts where we work. From being confronted by armed militia in conflict-affected areas in DRC to the various security incidents affecting some of our staff in DRC, South Sudan and Somalia, reinforcing the importance of community acceptance, but also highlighting the need to prioritise even more, staff safety and security. The humbling realisation that in times of crisis, the local communities are the first responders and the debt of gratitude we owe them in these same countries and also Ethiopia and Uganda.

Visiting Darfur region in Sudan, and noting that nearly 20 years on, many young people have been born and raised as displaced people in their own countries in internally displaced camps, which is their lived reality, never having known true freedom or their own home. The sheer vastness of the terrain our work covers, in some places with very limited accessible transportation routes, and seeing our staff and volunteers often working in very basic conditions in eastern Uganda, Ethiopia and Somalia. Since 2018, safeguarding continues to be significant in our work, including an increased focus on building the right culture internally so that we walk the talk. I am proud that this region adopted feminist leadership principles as far back as 2018/19 and has been working to unpack and respond to these principles in our relationships with staff, with partners and with the communities we work with.

Some of the most inspiring work has been with Refugee led organisations in Uganda and WROs across the region. The work with South Sudan refugee women, making visible their voices and life stories, hopes and aspirations, including their role in the peace process, deserves mention. Through a Strategic Partnership, on South Sudan Conflict & Fragility work on women participation supported by Oxfam Novib, sessions were also held with male and female staff led by our Gender Advisor, reflecting on the Born to Lead South Sudan Women's Voices, which you should all watch if you have not already done so on:

https://www.youtube.com/
watch?v=Qii09SR9Ako&feature=youtu.be

The institutional strengthening of WROs in the region has finally taken off, ably led by our Regional Gender Advisor and a network of WROs working with FEMNET. This enabled gendered analysis of COVID-19 restrictions and responses to become a hallmark of the work last year, as the RP and country programmes rose to the challenges we faced with COVID-19, working to repurpose and develop new programmes with a range of partnerships, honouring our regional commitment to localisation and transformative partnerships.

Digital transformation has been embraced under the leadership of our Regional Advisor, with regular webinars now being held to showcase and discuss the work across the region, including profiling the work of partners, across a diverse range of youth-led tech start-ups offering services and solutions across a range of areas from entrepreneurship, to disaster risk reduction and early warning systems, to gender responsive programming in the time of COVID-19, across Kenya, Rwanda, Somalia and Uganda, to mention a few. If you have not already done so, take the time to watch the series on GBV, Silence No More produced by the Rwanda team, partners and artists, as part of the CSW commemorations.

Below are the links to the 12 episodes:

- Episode 1. <a href="https://www.youtube.com/">https://www.youtube.com/</a> watch?v=w GvxKlkaNg
- Episode 2. <a href="https://www.youtube.com/watch?v=0CyISPl2WLE">https://www.youtube.com/watch?v=0CyISPl2WLE</a>
- Episode 3. <a href="https://www.youtube.com/">https://www.youtube.com/</a> watch?v=90TxDYnFQqY&t=102s
- Episode <u>4. https://www.youtube.com/watch?v=FexqPQiW3to&t=11s</u>
- Episode 5. <a href="https://www.youtube.com/watch?v=">https://www.youtube.com/watch?v=</a>
   mjl2nv8W5E8t=134s

- Episode 6. <a href="https://www.youtube.com/">https://www.youtube.com/</a> watch?v=YAbFwnzfDPA&t=38s
- Episode 7. <a href="https://www.youtube.com/">https://www.youtube.com/</a> watch?v=ZwCZ-yJ gmE8t=123s
- Episode 8. <a href="https://www.youtube.com/">https://www.youtube.com/</a>
   watch?v=LVbBJpH0TNk8t=78s
- Episode 9. <a href="https://www.youtube.com/">https://www.youtube.com/</a> watch?v=FXuxKZnS9HU&t=72s\_
- Episode 10 https://www.youtube.com/ watch?v=jPG3zb-\_L708t=51s
- Episode 11. <a href="https://www.youtube.com/">https://www.youtube.com/</a> watch?v=ert60lai-Nc&t=45s
- Episode 12. <a href="https://www.youtube.com/watch?v=aHSqKLDHrkQ8t=169s">https://www.youtube.com/watch?v=aHSqKLDHrkQ8t=169s</a>

It has been exciting to see the work on social protection finally gain momentum, with Kenya leading the way targeting especially urban informal dwellers, and with support from the Regional Advisor exploring innovations with the telecom provider Safaricom in the area of cash transfers. We are now pushing on the campaigning for equal access to COVID-19 vaccines, while continuing to make visible the triple crises (climate crisis, COVID-19 and conflict) dogging the region, under the able leadership of the regional humanitarian team. Threats to civic space remain and the need for vigilance and increased support to human rights defenders has never been more crucial in countries like Ethiopia, Tanzania, Uganda and Burundi. The importance of shining a light on the debt governments in the region carry and the need for lasting solutions, including the role of extractive industries and fair taxation, as central to the economic recovery of the region, have also been hallmarks of the work in the region.

Thus, it has indeed been a roller coaster of a ride, and I believe the Oxfam in the region 4 years on, is stronger, more resilient, and continuing to learn, adapt and grow. Much remains to be done and I am sure that under the able leadership of Parvin Ngala, supported by the rest of the regional team and country leadership, as well as the CGGs and RGGs, Oxfam in HECA region will go from strength to strength.

# THE HUMAN COST OF COVID-19: A HUMAN RESOURCE AND OPERATIONS ANALYSIS FROM OXFAM IN HORN, EAST AND CENTRAL AFRICA (HECA) REGION







Peace Immaculate Chandini - Project Coordinator at Oxfam in Uganda, adjusting to working from home.

## By Molly Ayiemba and Wangechi Mukoko

"2020 is the year that the workplace changed forever and presented enormous people challenges. From office, guest house safety measures to work-fromhome conference calls, HR policies that needed urgent review, and threats to employee wellbeing, productivity, and engagement. In addition, dealing with loss and illness of employees has tested my mental and emotional resolve as a HR practioner. I have condoled with employees who have lost co-workers or a loved one from COVID-19 and supported those who tested positive or fell ill; and throughout this period, I was obliged to continue with my normal HR work constantly praying that life would not throw another curveball!"

"As a Regional Human Resource Business Partner at Oxfam in Horn East and Central Africa (HECA), COVID-19 forced me to reimagine several aspects of support to staff. I have learned to be more agile, adaptable, empathetic, and understanding. After 12 months of challenges, I can say that I have made many transformative discoveries and laud the support received from colleagues in the Confederation."

Molly Ayiemba, the Regional HR Business Partner at Oxfam in HECA is not alone. Wangechi Mukoko, the Global Program Operations Manager at Oxfam International says: "I spend a lot of time negotiating alternatives as a result of internal and external changes such as staff

covers, resolving operational issues such as overspends and under-spends on commitments made, etc. All this is happening at a time when the organisation is going through a major internal change process. Due to COVID-19 restrictions, I have seen lower levels of implementation than was expected. With all these, I have had to work longer hours, at times not guided by existing policies and practice, because of the uniqueness brought about by COVID-19 and the new normal. However, one of the positives brought about by COVID-19 is the willingness for a collaborative effort in resolving operational issues. I feel this has resulted in a more coherent confederation."

Senior Managers such as Molly and Wangechi have been at the heart of Oxfam's organisational changes due to the COVID-19 pandemic evolution. In this article, they share their perspectives on the human cost of COVID-19 and how the new normal has affected the organisation and workforce whose lives have been deeply disrupted and left uncertain. Their perspectives paint a picture of the situation and how COVID-19 has affected work.

## A human resource perspective

With the onset of the pandemic, many national governments announced temporary lockdowns and gave directives for employers to allow their staff to work

from home, except for essential workers. Humanitarian organisations, like Oxfam who provide lifesaving and emergency response activities in marginalised communities were not exempted and had to comply too. In many of the ten counties (Burundi, DR Congo, Ethiopia, Kenya, Rwanda, South Sudan, Somalia, Sudan, Tanzania, and Uganda) where Oxfam in HECA operates, offices scaled down from the end of March 2020 onwards with many remaining with few staff for the better part of 2020. The rest of the staff were required to work from home where possible and where not, to take their paid leave. Ways of working changed, and all implementation and oversight activities had to be done remotely with meetings, trainings and conferences going virtual. Zoom and Microsoft Teams became the order of the day.

During this period, learning institutions were also shut down and learners had to stay home for more than nine months in most of the HECA countries. This meant that staff, especially women with families had to balance their office work with additional childcare responsibilities such as home-schooling. Many households in the region do not have the luxury of large homes to accommodate extra rooms for office conversions or play spaces for the children in a bid to keep them safe from contracting the virus if they played outside with their friends and schoolmates. Most of the staff households do not have the right furniture and good internet connectivity. For example, some staff in Nairobi-Kenya took home their office chairs and computer screens to enable them to work well. Those with no internet access in their homes had to buy data bundles.

"I have ended up working from all sorts of places like the bed, and in some instances, I have used the fridge as a worktable. I, however, do not like the erratic power cuts with no backup option and sometimes the poor internet connection," says Peace Immaculate.

During the pandemic, most staff have had to take sick leave and time off to take care of themselves, their loved ones and to attend funerals. All these have led to lots of mental health concerns in the region. Staff continue living each day with fear due to the uncertainty brought about by the pandemic. On one occasion, one staff member said: "Will I get the virus? and if I do, "how will I manage the cost of treatment since the CIGNA health insurance is not covering all the

COVID-19 related costs," such as random testing if one was suspected to be sick and medical evacuation from field locations.

"There was always delay in getting quick answers from colleagues and sometimes the internet was just as slow. I always made phone calls to colleagues in case I needed a quick response. This meant running out of the provided airtime. I also had a very uncomfortable chair and table, but I eventually utilized pillows for comfort."



Miriam Tusiimire balancing work and home schooling.

Unfortunately, due to the increased travel restrictions, some national staff with families living far from their workstations chose to resign and go home to be with their families. There, they felt safer. A good case in point is South Sudan where we have staff with families living across the Ugandan border. Those who chose to persevere and continue with their jobs often took the risk of travelling across the border to see their families over the weekends, but upon return, they would have to observe the mandatory fourteen days isolation. This meant that they could not access the office or go for fieldwork. In most cases, Oxfam would pay for the isolation costs when staff productivity was highly affected.

The inequality phrase among staff that usually takes a back seat became a reality. This glared in the areas of medical care as it would be much easier for an expatriate to get medical evacuation from a field station but almost impossible for the nationals. Murmurs and rumours of who was bringing the virus from outside the borders and who was not following the laid down standard operating procedures were constant. Team dynamics became prominent.

Learning and development was not spared. 2020 began as an ordinary year with many learning, training, and conference plans in place for the FY20/21 financial year. With the travel restrictions, all those plans had to be cancelled and/or postponed to future dates. Many of those activities remained undone to date with only a few moved to be held virtually.

## An operations and finance perspective

As countries heightened their border controls, there was a challenge on the transport sector, whether by air, land, or sea. It became difficult for staff to secure regular flights for official travel. Therefore, when the need arose, some country programmes would have to charter an aircraft. In South Sudan, to charter a flight from a field location to Juba would cost between USD 15,000 to USD 20,000 per trip. In Somaliland, there was a sharp increase in the cost of vehicle transportation used by staff for field visits. COVID-19 social distance measures meant more vehicles had to be used which translates into more time spent ferrying staff to field locations and more fuel spent but fewer field activities.

In most countries in the region, the supply chain was also severely affected. In ordinary times, it would take only a week to deliver materials to project sites, but with the disruption in the supply chain due to the restrictions on transport, it would now take more than a month for vendors to deliver materials. This affected implementation due to the delay of project activities.

In some offices like Nairobi which hosts the Oxfam International Secretariat, the HECA Regional Platform, Kenya Country Programme, shared services team, and other essential staff, those who do own personal vehicles have had to take taxis to and from the office in a bid to reduce the exposure to the virus both to themselves, their families, and other colleagues. Some of these staff live quite far from the office, thus their taxi costs are quite high. In Juba, South Sudan, the cost of transporting staff from the guest house to the office and back has increased by USD 55,000.

Office cleaning supplies and Personal Protective Equipment (PPE) have also been a key consideration to keep staff safe. These include masks for staff, sanitizers, regular fumigation and sanitisation of the offices and common areas. In Nairobi, each monthly round of fumigation and sanitisation of the office costs

between USD 400 to USD 500. In DRC, this costs USD 230 for each round while in Somalia, it costs USD 4,500. In South Sudan, it cost USD 4,632 in the month of February 2021 meaning that these costs will continue to be incurred. Occupational safety and health administration standards have also had to be observed to the latter like putting up COVID-19 protection signage within the office spaces. This has come with additional costs.

Staff working from home have had to be provided with unlimited data bundles every month to facilitate their internet connections. This is despite the standard monthly office internet charges paid to the service providers. In Juba, internet and mobile recharge costs have increased by approximately USD 54,000 as at the end of February 2021. Office rental costs across many country programmes remain constant despite most of these spaces remaining unutilised for the better part of 2020 as many staff continue to work from home with only a few more returning to the office in 2021. Landlords, who have equally been affected by the pandemic, have been hesitant to engage in negotiations to cut down these costs.



Chris Adide Odongo, EFSVL Assistant at the spot where he can access network (above( and home schooling (below)



Medical testing for staff suspected to have contracted the virus is another huge cost. In Juba for example, the cost for testing international staff was and continues to be USD 80 per staff and USD 40 for nationals—everyone requires two tests; when suspected, and if found positive, after the isolation and treatment period to confirm that they are is fit to return to work. In Nairobi, this cost has been between USD 50 to USD 100 per test. In Juba, the country program recently spent USD 10,000 to test staff after there was a high number of staff identified after contact tracing following some COVID positive cases. This cost included medical follow up and support.

Key to note is that all these extra costs had not been budgeted for and Country Programmes have had to engage their Country Governance Groups for support where they were unable to absorb the additional costs within existing country budgets.

On a positive note, there have been some savings. The daily consumption of office tea, water, toilet paper, and official flight costs declined. Some offices like the Nairobi hub also had a reduction in the number of stewards from six to three cutting the cost by 50%.

### Lessons and recommendations from the pandemic

- 1. Workforce areas are emerging as priorities for business leaders and international organisations
- Protect people: Initiate measures to help support employees' physical and emotional well-being, whether at work or at home.
- Communicate effectively in global uncertainty:
   Lead with responsive, empathetic communication
   and policies that help people feel informed and
   supported.
- Maintain the continuity of work: Provide the resources and support employees need to be productive, especially as they adapt to working remotely.
- Assess workforce costs: Explore workforce levers to help balance the potential need to cut costs with the desire to keep people employed.
- Prepare for recovery: Align workforce planning with the business strategy and prepare for an evolving market in order, to ramp up in recovery.

#### 2. Need to review our internal policies and processes.

This pandemic should greatly inform us on how our policies and processes respond to emergencies of such

magnitude as COVID-19. e.g., enabling staff to work remotely, being able to adjust and lower requirements and adjust to minimum standards e.g., in recruitments, access to medical care, or approvals, etc. This also applies to the internal reporting requirements where country programme staff were required to respond to their respective executing affiliates, partner affiliates, donors and requests from NGO regulatory bodies, while honouring the increased internal reporting requirements to track the organisation's preparedness and engagement during the pandemic.

## 3. Digitisation of workflow is key in the future of work.

Majority of our business processes, both internal to the organisation and with other parties rely on physical paperwork and signatures, or some version of it. During the lockdown, these were severely affected with a lot of people being unable to manage paper related processes. A lot of these may have already been resolved across the region or will need rethinking in the future.

## 4. Delegation of authority

Different country programmes work in different contexts. One cannot compare the working environment in Europe to that in sub-Saharan Africa and this therefore calls for the need to delegate authority based on context. It is important to listen to the people on the ground who have the facts and reality at their fingertips and wear a more human heart when dealing with them. Empathy goes a long way in getting things done better by people who are already hanging on a thin line.

- 5. Supply chain is a major factor in Oxfam's implementation. Speaking with some of our colleagues, some of the supply and logistics learning include:
- Innovation, research & development: Lockdowns, inability to access markets, transport systems, low output in production and many more were some of the issues facing supply chains across the world. Innovations in these areas may have helped e.g., the use of drones to deliver goods to individuals, utilisation of e-commerce etc. More research and innovation will be required to provide access to these services to more people especially in remote areas where humanitarian actors work.
- Need for a resilient supply chain: Complex operation models do not work well in emergencies. To create sustainable, resilient supply chains, logistical processes must be simplified and reinvented. The key aspects in the future of logistics are cooperation and collaboration i.e., if storage,

- drivers, and vehicles are in short supply, what could be more obvious than sharing them? Networking and collaboration will benefit all parties involved.
- Innovation and local solutions: For our logistics and supply teams, there was the realisation that we had an over-reliance on external markets especially in fragile countries like DRC and South Sudan. Once international trade was affected, the local markets were immediately negatively affected. Commodities and goods became scarce, leading to heightened prices and having longer lead times towards delivery. This eventually created an opportunity for innovation as local solutions were sought and implemented. This was a great win for both our local communities, project activities and our localisation agenda.
- Need for practical inter-agency coordination during emergencies: While the scale of the pandemic was unprecedented, there was little inter-agency preparation and coordination. While coordination mechanisms later began to be put in place, with the United Nations agencies like World Food Program (WFP) and World Health Organization (WHO) leading, humanitarian actors still had difficulties in accessing or figuring out how to use them properly. Prior simulations and arrangements would have maybe made it better by understanding how these may realistically work at the global, regional, and at the country level.
- Information and communication are critical to the success of supply and logistic operations: Having knowledge of which markets are working, which transport systems are available, where, and how to obtain critical goods were all key things that individuals, corporations, and government institutions as well as non-governmental agencies needed to know on a timely basis to communicate them to their key decision makers. Whoever had the fastest access to this information stayed ahead of the game and was able to address their needs. Investing in information systems, data analytics and robust communication channels on our supply chain will be a critical factor in being able to make decisions that may save on time, cost and even lives.

COVID-19 may be an unprecedented global crisis in our time, but it may not be the last. As an organisation, we need to become more agile and ready for the future of work.



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# COST OIL CHECK DOWN THE LINE: UNDERSTANDING HOW OIL RECOVERABLE COSTS COULD ERODE UGANDA'S PETROLEUM REVENUE GAINS



Photo by Reuters

### By Magara Siragi Luyima, Extractive Industries Coordinator, Oxfam-Uganda

Uganda found commercial oil in 2006. But only now is the country readying itself for the Final Investment Decision. The FID, expected this March or thereabouts, is the point in the capital project planning process when the decision to make major financial commitments by oil companies is taken. Uganda plans to commercialize its petroleum resources, estimated at 6.5 billion barrels, through use of crude for gas and power generation, refining, and crude oil export via pipeline. These plans require key pieces of infrastructure. These include an international airport, which is under construction at Kabaale in Hoima; tarmac roads, some of which are under construction; plus other infrastructure yet to be built - a crude oil export pipeline, feeder pipelines, and a refined products pipeline, a storage terminal. The government is building some of these like the airport, while oil companies will take the lead on projects such as the crude export pipeline.

Uganda adopted the Production Sharing Agreements (PSA) model, where the country signed contracts with international oil companies (IOCs) for exploration, development and production of petroleum resources. For Ugandans to benefit from these resources sustainably, it will require a well-designed and properly administered fiscal regime (petroleum revenue generation and spending frameworks). This should

determine how the petroleum revenues are shared between the government on behalf of citizens and the investors (IOCs) who are the providers of capital, technology, and expertise in the petroleum sector. According to PSAs, all exploration, development and production expenditures and operating expenses shall be recovered by IOCs i.e recoverable costs. Royalties and cost oil are deducted from gross production in arriving at profit oil, which is shared between the government and the contractors, according to the terms of the PSA.

Uganda's petroleum regulations and PSAs provide for an advisory committee made up of representatives from the Petroleum Authority of Uganda (PAU), Uganda Revenue Authority, Ministry of Finance and the licensees (IOCs) that review and approves the oil company annual work programmes and budgets which form the basis for allowable recoverable costs. The work programmes are monitored by PAU to ensure alignment with approved budgets and plans.

As already indicated, oil companies submit oil development plans with the budget before commencement of work. While this seems all right, it presents significant risks to the government because

the approved budget in the development plan is considered a recoverable cost. By the end of 2018, PAU had approved up to \$\$483 million, equivalent to UGX1.7 trillion as recoverable costs by the five oil companies operating in Uganda. The companies are Tullow, Total, China National Offshore Oil Company (CNOOC), Armour Energy and Oranto. The oil recoverable costs increased to \$483 million in 2018 from \$283 million in 2017. This cost is certainly much more since there are pending cost audit reports that are yet to be released by Office of the Auditor General.

The fact that PAU approves oil companies' development plans without any form of oversight and a thorough audit of the planned recoverable expenses is a recipe for loss of revenue to Uganda. Unless oil development plans have in-built flexibility regarding detection of fraud at any stage of implementation, the companies can arm-twist the government and limit its ability to fight inflation of expenses, which might erode expected revenues. For example, the Office of the Auditor General rejected up to UGX290 billion (\$82,294,117) in cost claims in 2016 as ineligible expenses. This would easily cost government lots of money in court awards if the oil companies chose to challenge the rejection in the courts. Also, lack of parliament's oversight on recoverable costs compounds the risk. The Office of the Auditor General audits the recoverable costs and submits its report to parliament after development plans have been approved and costs have been incurred by oil companies – this is rather post mortem.

Uganda has the potential to turn around the economy and accelerate economic progress if petroleum revenues are put to proper use. However, the government needs to design prudent fiscal strategies for the production of resources and the subsequent use of the revenue, which will address the likely risks of possible cost oil-inflation that would erode revenue gains to the disadvantage of Ugandans.

#### Policy recommendations

- The government should strengthen the audit and cost verification function. This will include adding oversight on the cost verification by PAU.
- Revise the Petroleum (Exploration, Development and Production Act), 2013, to include parliamentary oversight on the recoverable costs. The ad hoc committee that approves oil development plans should report to parliament before approving the plans.
- Ensure adequate cost control and monitoring
- Enforce technical oversight during negotiation and signing of PSAs.
- Update the accounting procedures to negotiate revisions to the existing PSAs to rid them of weaknesses that could put government revenue at risk.



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## THE KENYA – UGANDA FOOD BAN AN OPPORTUNITY TO ADDRESS FOOD SAFETY



Photo by the Citizen

## By Charles Opiyo, Coordinator Seeds Program

The news that the government of Kenya had banned maize from Uganda because of high levels of mycotoxins was received with mixed reactions. Many people rushed to politicize the move and blame Kenya for the action. Such action is not new to Uganda as it has on some occasions, like in 2020, faced the challenge of her food exports such as maize and milk being rejected by her neighbour Kenya.

Like several people, I believe that the ban has implications for the economy as it will affect the export business. The livelihood of farmers who grow and supply this maize, without a doubt, will significantly be affected.

While I see the impacts of this decision, the underlying reason for the ban should critically be looked into. Food safety was the reason. According to the Kenyan government, the banned food is of bad quality, with high levels of aflatoxin and mycotoxins that pose serious health risks to its citizens. This is not a surprise, given that about 1.3 million Ugandans are reportedly diagnosed with foodborne diseases annually. FAO also estimates that 1 in 10 people in the world fall ill every year from eating contaminated food and that foodborne illnesses can also be fatal, causing an estimated 420, 000 deaths per year.

Food safety is a big management issue in the food chains starting at the point of production, through transportation, processing, packaging and storage until the final consumption stage. It entails how a farmer harvests his/her crops, stores and handles

post-harvest activities. The Food process is a chain, so an error at any point is a risk to all of us.

Many initiatives aimed at addressing food insecurity focus not on all the food security continuum but mere physical availability. For example, addressing seeds, land and extension challenges often overlook intrinsic issues such as aflatoxin and mycotoxins management in food safety. What does it mean for citizens to have food if it is not safe for their health? Eating food is a case of what you put in what you get out. If you eat safe foods free from dangerous substances, the body gets better nourishment. Still, if the food is contaminated, then our bodies struggle and get sick with foodborne diseases including chronic and acute cases such as cancer.

The honest debate and attention, therefore, should now shift from merely having physical foods to the safety of these foods. With an increase in knowledge and level of consumers' consciousness, food rejection due to bad quality is becoming both a local and international phenomenon.

Smallholder food producers are innocently producing unsafe foods, and their foods are increasingly getting rejected. This is consequently creating unemployment along the agri-food chains where a majority (over 60%) are directly employed and stopping them from earning incomes. Inevitably, this will widen both income and gender inequality because when family members fall get sick, their productivity declines, and women care burden increases.

## THE UPCOMING EVENT ON 22ND APRIL 2021



What: Webinar on Digital Rights

Who: Oxfam

When: Thursday 22nd April 2021, 10:00am to 12:30pm EAT

Where: Virtual

As part of our commitment to the digital rights and space, we are convening a virtual digital rights summit on Thursday 22nd April 2021 from 1000hrs to 1230hrs EAT, coinciding with the annual celebration of International Girls in ICT day. The virtual event will be aired live on Zoom and other social media platforms.

The overall objective of the summit is to bring together key stakeholders working on ICTs in the HECA region to reflect on various opportunities and challenges brought by ICTs in the region. It will also reflect on policies and regulatory landscape governing ICTs and digital spaces in the region to ensure that people's rights are protected, especially among traditionally marginalised or vulnerable groups in the society.

The summit is expected to draw participants from government entities, donors, Civil Society Organisations (CSOs), Regional ICT practitioners, research and academic institutions, private sector and business community, policy makers and the media from across the HECA region.

Be part of the discussions!

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