

## The 2G Status Fund

The Uganda Road Fund operates as a Second Generation (2G) Road Fund that finances road maintenance from road user charges levied on applicable road usage proxy instruments that include;

- a) Road user charges as the Minister may, on the recommendation of the Board determine by statutory order, including—
  - (i) fuel levies;
  - (ii) international transit fees, collected from foreign vehicles entering the country;
  - (iii) road licence fees;
  - (iv) axle load fines;
  - (v) bridges tolls and road tolls; and
  - (vi) weight distance charges;
- b) Fines under the Traffic and Road Safety Act;
- c) Monies appropriated by Parliament for the purposes of the Fund;
- d) Revenue or assets received by the Fund in the performance of its functions under this Act;
- e) Grants, monies or assets donated to the Fund by Government with the approval of the Minister or assets donated to the Fund by any foreign government, international agency or other external body of persons, corporate or unincorporated;
- f) Any revenue derived from the sale of any property, movable or immovable, by or on behalf of the Fund;
- g) Money received by the Fund by way of voluntary contributions;
- h) Fines payable under this Act; and
- i) Earnings from investments made under section 34 of URF Act 2008 and interest accruing from monies of the funds deposited in Banks.

## Uganda's Road Network under Road Maintenance Financing comprises of;

The total Road Network under road maintenance financing is 107,020km as broken down below;

- a) 20,563km National Roads under the responsibility of UNRA;
- b) 1,105km Kampala City Roads under the responsibility of KCCA;
- c) 38,500km District roads under the responsibility of District Local Governments;
- d) 42,248km Community Access Roads under the responsibility of District Local Governments; and
- e) 4,500km Urban Roads under the responsibility of Urban Councils

## Our Partners

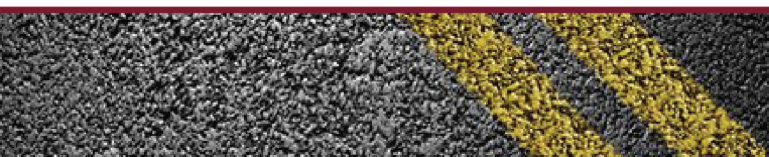
The Uganda Road Fund is in partnership with the Ministry of Works and Transport (MoWT), Ministry of Finance, Planning and Economic Development, Ministry of Local Government, Development Partners, Designated Agencies, Civil Society and Professional Faculties among others.



# Uganda Road Fund

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## Background

In response to the need for reforms in the road sub-sector, the Uganda Road Fund was established following the advancement of the Road Maintenance Initiative, which later became Road Management Initiative (RMI) for Sub-Saharan African and other developing countries. The RMI was based on commercializing the management and financing of roads. This involved bringing roads into the market place, putting them on a fee-for-service basis and managing them like a business. Within the East African Region, Uganda was the last country to launch a second-generation road fund.

## About Uganda Road Fund

Uganda Road Fund (URF) was established by an Act of Parliament in 2008 to finance routine and periodic maintenance of public roads in Uganda from road user charges. The Fund became operational in January 2010.

As a Second Generation Road Fund, it has a duty to finance implementation of the Annual Road Maintenance Programmes (ARMP) of designated agencies that include Uganda National Roads Authority (UNRA), Kampala Capital City Authority (KCCA) and Local Governments responsible for District, Urban and Community Access Roads.

### Vision, Mission and Values

#### Vision

“To provide Adequate financing for maintenance of public roads”

#### Mission

“To provide effective and sustainable financing for maintenance of public roads, build partnerships with stakeholders and serve with integrity”

#### Values

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## Principles of the Fund

The Fund achieves its purposes by giving effect to the following principles;

- (i) Provision of its services in the most economic, efficient and effective manner;
- (ii) Management of its affairs in a business-like and cost-effective manner and in accordance with modern management practices and techniques and in particular, apply to its operations the best standards of financial management and accounting; and
- (iii) Ensure that its operations are designed for the provision of the best services to its customers, while maintaining a high degree of responsiveness to their needs.

## Business Processes

The Fund implements its mandate through key business processes that include;

**Funding operations** – relates to sourcing of funds and their application in relation to the road maintenance plan.

**Impact of funding** – relates to the prudent use of maintenance resources as evidenced by improvements in the condition of roads, reduced vehicle operating costs, shorter journey times and higher safety;

**Governance** – relates to the oversight functions of the Fund Management Board as envisaged in the URF Act and in line with the best practice principles of corporate governance.

**Administration and human resource** – relates to capacity of the secretariat and its support functions.

## Governance

The Fund Management Board is responsible for the oversight function of the Fund as provided for in the URF Act and in line with the best practice principles of corporate governance. The Secretariat is headed by the Executive Director, who is responsible for the daily operations of the Fund and implementation of the decisions of the Board.

## Institutional Arrangements and Linkages

The Fund is supervised by the Minister for Finance, Planning and Economic development (MoFPED) and reports to Parliament through the Ministry of Works and Transport (MoWT). There is a consultative arrangement provided for in the URF Act 2008 for statutory, reporting and operational oversight over the Fund by the Ministries for Finance, for Works and Transport and for Local Government.

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